

# Exhibit 1

## Koehler Declaration



**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

CHRISTINE E. DECKER,  
On Behalf of Herself  
and All Others Similarly Situated,

Plaintiff,

v.

ADVANCED CALL CENTER  
TECHNOLOGIES, LLC, et al.

Civil Action No. 1:14-cv-00795-GJQ  
(Transferred from the Eastern District  
of Michigan, 2:14-cv-12597-GAD-MJH)

Defendants.

**DECLARATION OF MARTHA KOEHLER**

I, Martha Koehler, declare as follows:

1. I am a Manager of Litigation Support employed by Synchrony Bank formerly known as GE Capital Retail Bank ("Synchrony"). My responsibilities include regularly providing research and support assistance for claims and litigation involving Synchrony. I have performed these responsibilities for Synchrony and its predecessors since 1994. The facts stated herein are true and correct and based upon my own personal knowledge and/or upon my personal review of Synchrony's business records pertinent to this matter. If called as a witness to testify, I could and would competently testify to the facts set forth herein.

2. Synchrony is a federal savings association that, among other things, issues credit card accounts to consumers. Synchrony is regulated, supervised and examined by the Office of the Comptroller of the Currency.

3. Synchrony's home office has been located in Utah since February 2005. From July 2009 through present, Synchrony's home office has been located at 170 Election Road,



Draper, Utah.

4. Synchrony was formerly known as GE Capital Retail Bank, until a name change that became effective on or about June 2, 2014.

5. My responsibilities include regularly accessing Synchrony's cardholder records, maintaining and compiling histories of cardholder terms and conditions, and investigating account records and transaction histories including communications to and from customers. I am familiar with the manner in which credit card account records and account agreements are maintained and the manner in which mailings are sent to Synchrony cardholders.

6. In the ordinary course of its regularly conducted business, Synchrony maintains electronic records related to each account. These records are made at or about the time of the events reflected in each record. Among other things, these records enable Synchrony to determine when an individual becomes a cardholder, when a cardholder's account becomes overdue and when debt collection activities commence on the account, and when cardholder agreements and changes in terms of cardholder agreements are sent to customers. Synchrony relies on these electronic records in the ordinary course of managing and servicing its customers' accounts. Synchrony conducts regular audits and quality checks to ensure its standards and requirements for mailings, record creation, and maintenance are strictly observed. I believe these records to be accurate and reliable.

7. Synchrony has a number of credit card programs, including a JCPenney program under which it issues JCPenney-branded cards. This program allows consumers to pay for clothing and other goods at JCPenney. I have personally reviewed Synchrony's records pertaining to Plaintiff Christine Decker and found that she was the accountholder



for the JCPenney credit card account (the "Account") issued by GE Capital Retail Bank, which is now known as Synchrony. My statements in this declaration regarding Ms. Decker's account are based on my personal review of these business records.

**Ms. Decker Agreed to the JCPenney Synchrony Bank Credit Card Agreement**

8. Synchrony's records reflect that on April 20, 2012, while at a retail store in Portage, MI on S. Westedge Avenue, Ms. Decker applied for a JCPenney card. Synchrony approved Ms. Decker's application electronically, which is reflected in the "GE Card Services Application Profile - Approved." A true and correct copy of the GE Card Services Application Profile - Approved is attached as Exhibit 1 (redacted to protect Ms. Decker's personal information). The account number assigned to the Account is XXXXXXXXXXXX1318.

9. Because the application was made electronically at a retail store, as part of the process, Ms. Decker was provided a copy of certain terms and disclosures, which were in the form attached hereto as Exhibit 2 (the "Initial Disclosures"). As part of the electronic application process, the bar code on the copy of the Initial Disclosures given to Ms. Decker was scanned and the number associated with that bar code is contained in the "Doc. Id." field of the Application Profile (Exhibit 1). The electronic application could not have been completed or approved without the bar code on the copy of the Initial Disclosures given to Ms. Decker being scanned or without Ms. Decker's electronic confirmation of receipt of and consent to the Initial Disclosures.

10. The Initial Disclosures, state in pertinent part:

This document is an account opening disclosure statement. If you are approved for a jcpenny rewards credit card account, a complete credit card agreement governing your account will be sent to you along with a credit card. The jcpenny rewards credit card is issued by GE Capital Retail Bank.



Exhibit 2, p. 4. Additionally, the Initial Disclosures informed Decker:

- Among other things, the Agreement: (1) **includes a dispute and claim resolution provision (including arbitration) that limits my rights unless I reject the provision by following the provision's instructions;** and (2) makes each applicant responsible for paying the entire amount of the credit extended.

Exhibit 2, p. 4.

11. As stated in the Initial Disclosures, a copy of the complete JCPenney Rewards Credit Card Account Agreement (the "Agreement") was mailed to Ms. Decker at the address identified in her application with her credit card for the Account. The credit card for the Account was activated on April 26, 2012. To activate the credit card for an account requires that the customer call Synchrony from the telephone number listed on her application as her home number and to enter or tell a customer service representative the number on the received credit card. Based on the activation, subsequent use of and payments on the Account following receipt of payments at her home address, Ms. Decker received the mailing containing the Agreement and the credit card. A true and correct copy of the Agreement is attached as Exhibit 3. It states:

By opening or using your account, you agree to the terms of this Agreement. This Agreement starts when (i) you give us an account application we approve or (ii) you use your account or let someone else use it, whichever occurs first.

Exhibit 3, p. 1 at ¶ 1.

12. The Agreement contained an arbitration provision stating as follows:

**23. DISPUTE AND CLAIM RESOLUTION (INCLUDING ARBITRATION) PROVISION.**

**General/Requirement to Arbitrate. PLEASE READ THIS PROVISION CAREFULLY. UNLESS YOU SEND US THE REJECTION NOTICE DESCRIBED BELOW, THIS PROVISION WILL APPLY TO YOUR ACCOUNT, AND MOST**



**DISPUTES BETWEEN YOU AND US WILL BE SUBJECT TO INDIVIDUAL ARBITRATION. THIS MEANS THAT: (1) NEITHER A COURT NOR A JURY WILL RESOLVE ANY SUCH DISPUTE; (2) YOU WILL NOT BE ABLE TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING; (3) LESS INFORMATION WILL BE AVAILABLE; AND (4) APPEAL RIGHTS WILL BE LIMITED.** This provision replaces any existing arbitration provision with us and will stay in force no matter what happens to your Account, including termination. Upon demand, and except as otherwise provided below, you and we must arbitrate individually any dispute or claim between you, any joint cardholder and/or any additional cardholder, on the one hand; and us, our affiliates, agents and/or jcpenny, on the other hand, if the dispute or claim arises from or relates to your Account. However, we will not require you to arbitrate: (1) any individual case in small claims court or your state's equivalent court, so long as it remains an individual case in that court; or (2) any claim by us that only involves our effort to collect money you owe us. However, if you respond to a collection lawsuit by claiming that we engaged in any wrongdoing, we may require you to arbitrate.

**YOU AGREE NOT TO PARTICIPATE IN A CLASS, REPRESENTATIVE OR PRIVATE ATTORNEY GENERAL ACTION AGAINST US IN COURT OR ARBITRATION. ALSO, YOU MAY NOT BRING CLAIMS AGAINST US ON BEHALF OF ANY CARDHOLDER WHO IS NOT A JOINT OR ADDITIONAL CARDHOLDER WITH YOU ON YOUR ACCOUNT (AN "UNRELATED CARDHOLDER"), AND YOU AGREE THAT NO UNRELATED CARDHOLDER MAY BRING ANY CLAIMS AGAINST US ON YOUR BEHALF. CLAIMS BY YOU AND BY AN UNRELATED CARDHOLDER MAY NOT BE JOINED IN A SINGLE ARBITRATION.** Only a court may decide whether any part of this paragraph is enforceable. If it is finally determined that this paragraph is not fully enforceable, only this sentence of the Provision will remain in force and the remainder of the Provision will be null and void, provided the court's determination concerning the enforceability of this paragraph shall be subject to appeal.

**Starting an Arbitration.** If you or we elect to arbitrate a claim, the electing party must notify the other party in writing. This notice can be given after the beginning of a lawsuit and can be given in papers filed in the lawsuit. Otherwise, your notice must be sent to GE Capital Retail Bank, Legal Operation, P.O. Box 29110, Shawnee Mission, KS 66201, ATTN: ARBITRATION DEMAND, and our notice must be sent to the most recent address for you in our files. The party seeking arbitration must select as the arbitration administrator either the American Arbitration Association (AAA), 1633 Broadway, 10th Floor, New York, NY 10019, [www.adr.org](http://www.adr.org), (800) 778-7879, or JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, [www.jamsadr.com](http://www.jamsadr.com), (800) 352-5267. If neither the AAA nor JAMS is able or willing to handle the dispute, then the parties will resolve their dispute in court.



The arbitration administrator will appoint the arbitrator and tell the parties what to do next. The arbitrator must be a lawyer with at least ten years of legal experience. In making decisions or awarding remedies, the arbitrator must apply the same law and legal principles that would apply in court, but may use different procedural rules. If the administrator's rules conflict with this Provision, this Provision will control.

**Arbitration Location and Fees.** The arbitration will take place by phone or at a location reasonably convenient to you. Upon your request, we will normally pay all the fees the administrator or arbitrator charges, if we believe you are acting in good faith. We will always pay these costs, as well as your legal fees and costs, to the extent required under applicable law or in order for this Provision to be enforced.

**Governing Law.** This Provision is governed by the Federal Arbitration Act (the "FAA"). Utah law shall apply to the extent state law is relevant under Section 2 of the FAA in determining the validity of this Provision. The arbitrator must follow: (1) the substantive law, consistent with the FAA, that would apply if the matter had been brought in court, (2) this Provision, and (3) the administrator's rules. The arbitrator's decision will be final and binding, except for any appeal right under the FAA. Any court with jurisdiction may enter judgment on the arbitrator's award.

**Rejecting this Provision.** You may reject this Provision, in which case only a court may be used to resolve any dispute or claim. Rejection will not affect any other aspect of the cardholder agreement. To reject, you must send us a notice within 60 days after you open your account or we first provide you with a right to reject this Provision. The notice must include your name, address and account number, and be mailed to GE Capital Retail Bank, P.O. Box 965012, Orlando, FL 32896-5012. This is the only way you can reject this Provision.

Exhibit 3, p. 1, ¶ 23.

13. The Agreement specifically permitted Synchrony to "Subject to the requirements and limitations of applicable law ... [to] change, add to, or delete any of the terms of [the] Agreement..." Exhibit 3, p. 1, ¶ 4.

14. Synchrony provided Ms. Decker notice of a change in terms (the "CIT") with her billing statement on or about June 29, 2012. A copy of the CIT is attached hereto as



Exhibit 4. The arbitration provision in the CIT, which became effective in or about June of 2012, and which was not subsequently changed, stated as follows:

**RESOLVING A DISPUTE WITH ARBITRATION**

**PLEASE READ THIS SECTION CAREFULLY. IF YOU DO NOT REJECT IT, THIS SECTION WILL APPLY TO YOUR ACCOUNT, AND MOST DISPUTES BETWEEN YOU AND US WILL BE SUBJECT TO INDIVIDUAL ARBITRATION. THIS MEANS THAT: (1) NEITHER A COURT NOR A JURY WILL RESOLVE ANY SUCH DISPUTE; (2) YOU WILL NOT BE ABLE TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING; (3) LESS INFORMATION WILL BE AVAILABLE; AND (4) APPEAL RIGHTS WILL BE LIMITED.**

**• What claims are subject to arbitration**

1. If either you or we make a demand for arbitration, you and we must arbitrate any dispute or claim between you or any other user of your account, and us, our affiliates, agents and/or J. C. Penney Corporation, Inc. if it relates to your account, except as noted below.
2. We will not require you to arbitrate: (1) any individual case in small claims court or your state's equivalent court, so long as it remains an individual case in that court; or (2) a case we file to collect money you owe us. However, if you respond to the collection lawsuit by claiming any wrongdoing, we may require you to arbitrate.
3. Notwithstanding any other language in this section, only a court, not an arbitrator, will decide disputes about the validity, enforceability, coverage or scope of this section or any part thereof (including, without limitation, the next paragraph of this section and/or this sentence). However, any dispute or argument that concerns the validity or enforceability of the Agreement as a whole is for the arbitrator, not a court, to decide.

**• No Class Actions**

**YOU AGREE NOT TO PARTICIPATE IN A CLASS, REPRESENTATIVE OR PRIVATE ATTORNEY GENERAL ACTION AGAINST US IN COURT OR ARBITRATION. ALSO, YOU MAY NOT BRING CLAIMS AGAINST US ON BEHALF OF ANY ACCOUNTHOLDER WHO IS NOT AN ACCOUNTHOLDER ON YOUR ACCOUNT, AND YOU AGREE THAT ONLY ACCOUNTHOLDERS ON YOUR ACCOUNT MAY BE JOINED IN A SINGLE ARBITRATION WITH ANY CLAIM YOU HAVE.** If a court determines that this paragraph is not fully enforceable, only this sentence will remain in force and the remainder will be null and void, and the court's determination shall be subject to appeal. This paragraph does not apply to



any lawsuit or administrative proceeding filed against us by a state or federal government agency even when such agency is seeking relief on behalf of a class of borrowers, including you. This means that we will not have the right to compel arbitration of any claim brought by such an agency.

• **How to start an arbitration, and the arbitration process**

1. The party who wants to arbitrate must notify the other party in writing. This notice can be given after the beginning of a lawsuit or in papers filed in the lawsuit. Otherwise, your notice must be sent to GE Capital Retail Bank, Legal Operation, P.O. Box 29110, Shawnee Mission, KS 66201, ATTN: ARBITRATION DEMAND. The party seeking arbitration must select an arbitration administrator, which can be either the American Arbitration Association (AAA), 1633 Broadway, 10th Floor, New York, NY 10019, [www.adr.org](http://www.adr.org), (800) 778-7879, or JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, [www.jamsadr.com](http://www.jamsadr.com), (800) 352-5267. If neither administrator is able or willing to handle the dispute, then the court will appoint an arbitrator.

2. If a party files a lawsuit in court asserting claim(s) that are subject to arbitration and the other party files a motion with the court to compel arbitration, which is granted, it will be the responsibility of the party asserting the claim(s) to commence the arbitration proceeding.

3. The arbitration administrator will appoint the arbitrator and will tell the parties what to do next. The arbitrator must be a lawyer with at least ten years of legal experience. Once appointed, the arbitrator must apply the same law and legal principles, consistent with the FAA, that would apply in court, but may use different procedural rules. If the administrator's rules conflict with this Agreement, this Agreement will control.

4. The arbitration will take place by phone or at a reasonably convenient location. If you ask us to, we will pay all the fees the administrator or arbitrator charges, as long as we believe you are acting in good faith. We will always pay arbitration costs, as well as your legal fees and costs, to the extent you prevail on claims you assert against us in an arbitration proceeding which you have commenced.

• **Governing Law for Arbitration**

This Arbitration section of your Agreement is governed by the Federal Arbitration Act (FAA). Utah law shall apply to the extent state law is relevant under the FAA. The arbitrator's decision will be final and binding, except for any appeal right under the FAA. Any court with jurisdiction may enter judgment upon the arbitrator's award.



• **How to reject this section.**

You may reject this Arbitration section of your Agreement. If you do that, only a court may be used to resolve any dispute or claim. To reject this section, you must send us a notice within 60 days after you open your account or we first provided you with your right to reject this section. The notice must include your name, address and account number, and must be mailed to GE Capital Retail Bank, PO Box 965012, Orlando, FL 32896-5012. This is the only way you can reject this section.

Exhibit 4, pp. 1-2.

15. Both the Agreement and the CIT provided Ms. Decker with the right to “reject the arbitration provision,” by providing notice in accord with the requirements of the Agreement and the CIT. Specifically, each permitted Ms. Decker, if she wished to reject the arbitration provision, to send to Synchrony a notice of rejection of the provision at a specific address within sixty (60) days after opening the Account or upon first being “provided ... [the] right to reject...”

16. As part of Synchrony’s regular activities in the ordinary course of business, Synchrony employs a process where any received rejection (or “opt-out”) from the arbitration provision is noted in the cardholder’s account records and added to a date repository of arbitration opt-outs. I have found no record of a notice from Ms. Decker exercising her right to reject the “Arbitration Provision” in the Agreement or the CIT where such a record would have been kept had Ms. Decker exercised her right to reject the arbitration provision.

17. As discussed above, the Agreement was sent with the original card for the Account upon approval on April 20, 2012 and the CIT was sent with Decker’s monthly billing statement dated June 29, 2012. The foregoing and other monthly statements were



sent by U.S. Mail to the address provided on the application for the Account: 8910 Ashton Lane, Kalamazoo, MI 49009 (the "Original Address").

18. After the Agreement and the CIT were sent to Ms. Decker, she made purchases using the Account, received monthly billing statements, and made payments on the account in response to the statements sent to the Original Address.

19. In or about November of 2012, Ms. Decker returned a monthly statement for her Account sent to the Original Address with the change of address portion of the statement completed, changing the address of record for the Account to: 9914 E ML Ave Galesburg MI. A copy of that communication is attached hereto as Exhibit 5.

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 15<sup>th</sup> day of August, 2014, at Merriam, Kansas.

  
\_\_\_\_\_  
**MARTHA KOEHLER**



# Koehler Declaration

## Exhibit 1

Application Profile



GENASYS - (CHRISTINE DECKER)

System Application Queue Window Cross-Sell Toolbar Help Other

<b>Keycode</b> JCP0000262	<b>Applicant</b>	<b>First Name</b> CHRISTINE	<b>Last Name</b> DECKER	<b>State</b> MD	<b>Zip</b> 43009
<b>Dobid</b> 0000007039676237	<b>Meeting Address</b>	8910 WASHINGTON LN			
<b>Client</b> JCP0001	<b>Add 2</b>				
<b>State</b> 06000011982	<b>Birthdate</b> 08/31	<b>Passcode</b> REDACTED	<b>Sec. #</b> 00	<b>Home phone</b> 259/653-4894	<b>Business phone</b>
<b>Branch</b> CG89 Dig PC 099	<b>Passport #</b>	<b>Cell Phone #</b>	<b>Net Income</b> 00068333	<b>Monthly</b> 88996	
<b>Dealer</b> 9315 Dec PC	<b>Employer</b>	<b>Years</b> 00	<b>Net Income</b>	<b>Monthly</b>	
<b>Dealer name</b> JCPENNEY	<b>Emp Type</b>	<b>Language</b>	<b>Member No</b>	<b>Credit References</b>	
<b>Dealer phone</b> 259/353-7711	<b>Residence Type</b>	<b>Years</b>	<b>Source Code</b>	<b>Checking</b>	<b>Savings</b>
<b>Queue</b> APPROVED	<b>Over</b>	<b>00</b>	<b>City</b>	<b>Visa</b>	<b>Master Card</b>
<b>Date Entered</b> 04/20/12	<b>Previous Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	
<b>Via code</b> R	<b>Name and Address of Relative</b>	<b>Telephone</b>			
<b>Promo Code</b>	<b>2nd Applicant</b>	<b>First Name</b>	<b>Initial Last Name</b>	<b>Birthdate</b>	
<b>Tracking</b>	<b>SP Code</b> R	<b>Net Income</b>	<b>Soc sec #</b>	<b>Div Relationship</b>	<b>Type of User</b>
<b>Num Cards</b> 0001	<b>Signature</b> RSA	<b>000000000</b>	<b>Opt-Out</b>	<b>Approval Code</b>	
<b>Decided</b> 04/20/12	<b>Primary</b>	<b>Secondary</b>	<b>Drivers Lic (State, # &amp; Exp Date)</b>	<b>Plate Code</b>	<b>Exp</b>
<b>Reason Code(s)</b>	<b>Callback</b> 0653	<b>Insurance</b>	<b>Bill Cycle</b> 00	<b>RDC Total</b> 1900	
<b>AA01</b>	<b>Email Addr</b>	<b>Maiden Name</b>	<b>IP Address</b>	<b>ADP</b> 00000000	
<b>Account number</b> REDACTED	<b>Country Code</b> US	<b>Type Of Sale</b>	<b>MCR Orig</b> 000000	<b>VID/EID Score</b> 000	<b>VID/EID Flag</b>
<b>Credit limit</b> 1900	<b>Loan Term</b>	<b>Cust. Selected</b>	<b>Funding Option</b>	<b>ABA Routing #</b> 000000000	<b>Bank Checking</b>
<b>Temp Account number</b>	<b>Max. Assigned</b>	<b>ABA Bank Name</b>	<b>Occupation Code</b>	<b>Access Code</b> 00000000	
	<b>Annual Percentage Rate</b>	<b>Estimated Monthly Payment</b>	<b>Hold</b>	<b>Close</b>	

Exhibit 1



# Koehler Declaration

## Exhibit 2

Initial Disclosures





here's the scoop: it's easy, oh-so-rewarding  
and did we mention it's free!

Jcp cardmembers are automatically enrolled, so your card  
purchases are already earning points...maybe jcp rewards.  
Earn 1 point for every \$1 you spend on qualifying merchandise  
and services.

For additional membership benefits, you can register your  
card at [jcprewards.com/credit](http://jcprewards.com/credit).

See inside for complete details.

what your card can do for you			
25% more bonus points when you use your jcp rewards credit card	•	•	•
<a href="http://jcprewards.com/credit">jcprewards.com/credit</a> members only benefits, sweepstakes & more	•	•	•
\$15 birthday earned jcp reward	•	•	
earn a \$10 jcp reward when you earn 250 points or more in a month	•	•	•
earn \$20 in jcp rewards* when you earn 500 points or more in a month	•	•	
earn \$30 in jcp rewards* when you earn 750 points or more in a month	•		

\*to earn gold status, just spend \$500 or more in at least two shopping days in a  
calendar year; spend \$1,000 to earn platinum.

jcpenny rewards credit card

**save today\***

**20%**

\*offer for new accounts, subject to credit approval,  
some restrictions and exclusions apply.  
see associate to obtain 20% off certificate for details.

123 456 789 1 0  
JCPENNEY CUSTOMER

**earn up to  
+\$30** in jcp rewards  
each month when  
you reach platinum  
status with qualifying  
purchases and points!\*

\*\*terms and conditions apply. jcp rewards certificate issued in calendar  
months where spending threshold is met. see inside application for details.

jcpenny rewards credit card

**save today\***

**20%**

\*offer for new accounts, subject to credit approval,  
some restrictions and exclusions apply.  
see associate to obtain 20% off certificate for details.

123 456 789 1 0  
JCPENNEY CUSTOMER

**earn up to  
+\$30** in jcp rewards  
each month when  
you reach platinum  
status with qualifying  
purchases and points!\*

\*\*terms and conditions apply. jcp rewards certificate issued in calendar  
months where spending threshold is met. see inside application for details.

Exhibit 2



## protect your account and your peace of mind...

jcpenny Card Security will help protect your jcpenny rewards credit card account up to \$10,000 in the event that you:

- go on an employer-approved leave of absence for 90 days
- become hospitalized for 7 nights
- become disabled for 90 days
- become involuntarily unemployed for 90 days
- should pass away

Peace of mind is just \$1.66 per \$100 of your ending monthly balance. You are only charged for the protection when you have a balance or purchases on your statement.

for questions about jcpenny Card Security, or to enroll, call **1.877.685.7520**

## 90-day no-risk offer!

If you choose to cancel your jcpenny Card Security within 90 days of enrollment, we will credit your account any program fees you have been charged.

### jcpenny Card Security program disclosures

jcpenny Card Security is an optional program. Whether or not you purchase jcpenny Card Security will not affect your application for credit or the terms of any existing credit agreement you have with GE Money Bank ("the Bank"). Effective October 1, 2011, GE Money Bank is changing its name to GE Capital Retail Bank.

Once your enrollment has been accepted, you will receive the complete jcpenny Card Security debt cancellation program agreement (the "Program Agreement"). Please read the Program Agreement carefully as it contains a complete explanation of the jcpenny Card Security program, including eligibility requirements, conditions and exclusions that could prevent you from receiving benefits.

Any fees assessed for the program will be included in the daily balance used to calculate interest on your account.



## Credit Application (Complete for Mail In Application Only)

### Applicant Information

Please complete entire application in blue or black ink. Missing or inaccurate information may delay or adversely affect credit decision.

First Name		MI	Last Name	
Street Address (No P.O. Boxes)		City	State	Zip
Previous Address (If less than one year)		City	State	Zip
Social Security Number	Home Phone Number*	Business Phone Number*	Cell/Other Phone Where We May Call You*	
Date of Birth	E-Mail Address (Optional): By providing my e-mail address, I consent to receive e-mail communications about my account and authorize you to provide my e-mail address to jcpenny so I can receive special offers and updates.			
Income*	Annual Income (from all sources)	<input type="checkbox"/> Own <input type="checkbox"/> Rent <input type="checkbox"/> Other		<b>FOR VERIFICATION PURPOSES - PLEASE PROVIDE THE FOLLOWING:</b> Driver's License <input type="checkbox"/> DL or SI Number State Issued ID <input type="checkbox"/>

CO-APPLICANT ☐ Also responsible for account (Signature required below)

AUTHORIZED USER ☐ Allows person to purchase on account

☐ Spouse

☐ Other

First Name		MI	Last Name	
Street Address (No P.O. Boxes)		City	State	Zip
Date of Birth	Social Security Number	Business Phone Number*		
<b>FOR VERIFICATION PURPOSES - PLEASE PROVIDE THE FOLLOWING:</b> Driver's License <input type="checkbox"/> State Issued ID <input type="checkbox"/> DL or SI Number				

\*I authorize you to contact me at each phone number I have provided.

\*Alimony, child support or separate maintenance income need not be included unless relied upon for credit. You may include the annual amount that you have available to spend from your assets. **WI Residents only:** If you are applying for an individual account, combine your and your spouse's financial information.

### Applicant and Co-Applicant Signature: WE NEED YOUR SIGNATURE(S) BELOW.

By applying for this account, I am asking GE Capital Retail Bank ("GECRB") to issue me a jcpenny rewards credit card (the "Card"), and I agree that I am providing the information in this application to GECRB and to jcpenny. I consent to GECRB and any other owner or servicer of my account contacting me about my account, including using any contact information or cell phone numbers I provide, and I consent to the use of any automatic telephone dialing system and/or an artificial or prerecorded voice when contacting me, even if I am charged for the call under my phone plan. I authorize and direct GECRB to furnish information about me (including whether this application is approved or declined) and, if it is approved, information about my account, to jcpenny (and its affiliates and licensees) as provided in the disclosures that accompany the credit terms. I acknowledge that I have read and agree to the credit terms and other disclosures in this application. I understand that if my application is approved, the jcpenny rewards credit card agreement ("Agreement") will be sent to me and will govern my account.

### SEE NEXT PAGE FOR CREDIT TERMS, INCLUDING RATES, FEES AND OTHER COST INFORMATION.

Federal law requires us to obtain, verify, and record information that identifies you when you open an account.  
We will use your name, address, date of birth, and other information for this purpose.

SIGNATURE	Date
CO-APPLICANT SIGNATURE	Date

For Store Use:

Picture I.D. Type and State (Store Call-In Apps Only)

jcp Account Number

74280

1

L Detach Here — Fold down over application and moisten to seal



**INSTANT CREDIT SIGNATURE PANEL**

By signing below, I am providing the information in this application to GE Capital Retail Bank ("GECRB") and to jcpenny, and asking GECRB to issue me a jcpenny rewards credit card (the "Card"). I acknowledge that I have read and agree to the credit terms on the attached and the other disclosures that follow. I understand that if my application is approved, the jcpenny rewards credit card agreement ("Agreement") will be sent to me and will govern my account. Among other things, the Agreement: (1) includes a dispute and claim resolution provision (including arbitration) that limits my rights unless I reject the provision by following the provision's instructions; and (2) makes each applicant responsible for paying the entire amount of the credit extended. I authorize and direct GECRB to furnish information about me (including whether this application is approved or declined) and, if it is approved, information about my account, to jcpenny (and its affiliates and licensees) as provided in the disclosures that accompany the credit terms. I consent to GECRB and any other owner or servicer of my account contacting me about my account, including using any contact information or cell phone numbers I provide, and I consent to the use of any automatic telephone dialing system and/or an artificial or prerecorded voice when contacting me, even if I am charged for the call under my phone plan. If I provide my e-mail address, I consent to receive e-mails about my account and authorize GECRB to provide my e-mail address to jcpenny so I can receive special offers and updates. I understand that alimony, child support or separate maintenance income need not be included in the annual income I submit with this application unless relied upon for credit. I may include the annual amount that I have available to spend from any assets. **WI Residents only:** If I am applying for an individual account, I am combining my and my spouse's financial information. I agree that GECRB may make inquiries it considers necessary (including requesting reports from consumer reporting agencies and other sources) in evaluating my application, and for purposes of reviewing, maintaining or collecting my account. My signature below represents my signature on the Agreement. Please see attached credit terms for rates, fees and other cost information.

Federal law requires us to obtain, verify, and record information that identifies you when you open an account. We will use your name, address, date of birth and other information for this purpose.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_  
(Please Print)

SSN: XXX-XX-\_\_\_\_\_  
(Social Insurance Number for Canadian Residents)

Date: \_\_\_\_\_  
Please retain attached initial disclosure for your records

**\*\*SCAN THIS BARCODE TO  
START ICAP PROCESS\*\***

NO POSTAGE  
NECESSARY  
IF MAILED  
IN THE  
UNITED STATES

**BUSINESS REPLY MAIL**  
FIRST-CLASS MAIL PERMIT NO. 8 EL PASO TX

POSTAGE WILL BE PAID BY ADDRESSEE

**JCPENNEY REWARDS CREDIT CARD GECRB**  
**PO BOX 981071**  
**EL PASO TX 79998-9916**

LS5238

**JCPENNEY CARD SECURITY PROGRAM**  
Disclosures

jcpenny Card Security is an optional program. Whether or not you purchase jcpenny Card Security will not affect your application for credit or the terms of any existing credit agreement you have with GE Capital Retail Bank (the "Bank").

Once your enrollment has been accepted, you will receive the complete jcpenny Card Security Debt Cancellation Program Agreement (the "Program Agreement"). Please read the Program Agreement carefully as it contains a complete explanation of the jcpenny Card Security program, including eligibility requirements, conditions and exclusions that could prevent you from receiving benefits.

**COST.** The monthly fee for jcpenny Card Security is \$1.66 per \$100 of the ending monthly balance of your jcpenny rewards credit card account as provided in the Program Agreement. Any fees assessed for the program will be included in the daily balance used to calculate interest on your account.

**jcp rewards program**

Cardmembers who are U.S. residents (including Puerto Rico and U.S. Territories) are automatically enrolled in the jcp rewards program (the "Program"). Cardmembers who are in good standing will receive one jcp reward point for every \$1 (USD) spent on qualifying purchases (Purchases of the following items are not qualifying purchases and points will not be earned on them: Sephora products purchased online (only), dollars spent on sales tax, state fees, shipping charges, restocking fees, delivery charges, gift cards and e-Gift Cards) at jcpenny stores or jcp.com, plus an extra 25% bonus points for using your jcpenny rewards credit card. Once you earn 250 points or more in a calendar month, you will be eligible to receive a jcp rewards certificate ("jcp rewards" or a "certificate") redeemable on any eligible jcpenny purchase (some exclusions and restrictions apply; see certificate for details). jcp rewards members are eligible to earn one \$10 jcp rewards certificate per month with 250 or more points. jcp rewards gold and platinum members are eligible to earn \$20 (2- \$10 jcp rewards certificates) in jcp rewards certificates per month with 500 or more points. jcp rewards platinum members are eligible to earn \$30 (3- \$10 jcp rewards certificates) in jcp rewards certificates per month with 750 or more points. Points expire at the end of each calendar month and do not carry forward to the next month. Certificates will be delivered by U.S. mail unless you have registered an email address at [www.jcprewards.com/credit](http://www.jcprewards.com/credit), in which case certificates will be delivered via email. Certificate must be used by the expiration date listed on the certificate and must be surrendered at the time of purchase. If your jcpenny purchase is less than the amount designated on the certificate, you will forfeit the remainder of that amount. Certificates cannot be credited to any account, redeemed for cash, replaced if merchandise is returned, or applied to prior purchases. Lost or stolen certificates are not replaceable. Certificates are not transferable and are void where prohibited by law. We reserve the right to amend or modify the Program at any time and in any way without notice (including, without limitation, our right to expire points or adjust the number of points for each dollar in purchases). We further reserve the right to terminate the Program at any time without notice. For full terms and conditions or for other questions about the Program, please visit [www.jcprewards.com/credit](http://www.jcprewards.com/credit) or call 1-888-527-7937.

**jcpenny rewards gold / platinum card level details**

Spend \$500 or more on merchandise or services with your jcpenny rewards credit card over 2 or more unique shopping days in each calendar year to earn or maintain jcpenny rewards gold status. Spend \$1,000 or more on merchandise or services with your jcpenny rewards credit card over 2 or more unique shopping days in each calendar year to earn or maintain jcpenny rewards platinum status. jcpenny rewards gold / platinum status is determined at time of your monthly billing statement after meeting purchase threshold. We reserve the right to change or cancel the jcpenny rewards gold / platinum program or any or all of its benefits at any time with out notice. If your account is not in good standing and/or you no longer meet our criteria, you may be ineligible for the jcpenny rewards gold / platinum program and/or unable to take advantage of jcpenny rewards gold / platinum promotions. The jcpenny rewards gold / platinum program is available only while you are a resident of the 48 contiguous United States, Puerto Rico and Alaska. For complete details, visit [jcprewards.com/credit](http://jcprewards.com/credit) or your local store.



**Additional disclosures:** By applying for this account, I agree that:

- I am providing this application information to GECRB and to jcpenny. I authorize and direct GECRB to furnish information about me (including whether this application is approved or declined) and, if it is approved, information about my account to jcpenny (and its affiliates and licensees) for use in connection with the jcpenny credit programs, including to create and update their customer records for me, to assist them in better serving me and to provide me with notices of special promotions and tailored offerings.
- GECRB may obtain information from others about me (including requesting reports from consumer reporting agencies and other sources) to evaluate my application, and to review, maintain or collect my account.
- Among other things, the Agreement: (1) **includes a dispute and claim resolution provision (including arbitration) that limits my rights unless I reject the provision by following the provision's instructions;** and (2) makes each applicant responsible for paying the entire amount of the credit extended.

The information about the costs of the Card described below is accurate as of January 1, 2012. This information may have changed after that date. To find out what may have changed, write to us at P.O. Box 965009, Orlando, FL 32896-5009; Puerto Rico and U.S. Virgin Islands residents: P.O. Box 364788, San Juan, PR 00936-4788. This application and the credit card agreement will be governed by federal law and, to the extent state law applies, the laws of Utah. Subject to the requirements and limitations of applicable law, we may change, add to or delete any of the terms of the Agreement, including the interest rates, fees and charges and we will send you notice as required.

**THE JCPENNEY REWARDS CREDIT CARD ACCOUNT**

<b>Interest Rates and Interest Charges</b>	
<b>Annual Percentage Rate (APR) for Purchases</b>	<b>26.99%</b>
<b>How to Avoid Paying Interest</b>	Your due date is at least 23 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month.
<b>Minimum Interest Charge</b>	If you are charged interest, the charge will be no less than \$2.00.
<b>For Credit Card Tips from the Federal Reserve Board</b>	To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at <a href="http://www.federalreserve.gov/creditcard">http://www.federalreserve.gov/creditcard</a> .
<b>FEES</b>	
<b>Penalty Fees</b>	
• Late Payment	Up to \$35

**How We Will Calculate Your Balance:** We use a method called "daily balance". See the account opening disclosures below for more details.

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in the account opening disclosures below.

**GE CAPITAL RETAIL BANK  
ACCOUNT OPENING DISCLOSURES  
FOR THE JCPENNEY REWARDS CREDIT CARD**

This document is an account opening disclosure statement. If you are approved for a jcpenny rewards credit card account, a complete credit card agreement governing your account will be sent to you along with a credit card. The jcpenny rewards credit card is issued by GE Capital Retail Bank. In this statement GE Capital Retail Bank may be referred to as "we", "us" and "our" and all persons who we approve to use the account may be referred to as "you" or "your".

**USING YOUR ACCOUNT.** If you are approved for a jcpenny rewards credit card, you may use your account to make purchases of goods or services from jcpenny stores, jcp.com, or other companies authorized to accept the Card. There are two types of purchases that may be made from jcpenny: Regular Charges and Major Purchase Charges. Merchandise that is identified as a Major Purchase Charge item can be charged to your account as a Major Purchase Charge. All other charges are Regular Charges.

**INTEREST.** This section explains (i) the interest rates that will apply to your account, (ii) when interest will be charged on your account, and (iii) how the amount of interest is calculated. Interest will be imposed in amounts or at rates not in excess of those permitted by applicable law.

**A. Rates.** The following rate applies to purchases. The Annual Percentage Rate (APR) applicable to your account is shown below and will also be shown on your billing statement.

We calculate interest on the balance of your account each day. We use a daily rate to calculate the interest each day. The daily rate is equal to the APR divided by 365.

**Purchase Rate.** The daily rate for purchases is .07395% (APR 26.99%).

**Special Promotional Financing Offer Information.** At times, we may offer you special financing promotions for certain transactions ("special promotions"). The terms of the agreement apply to any special promotions. However, any special promotional terms that are different than the terms in the agreement will be explained on special promotion promotional advertising or other disclosures provided to you.



Below is a description of certain promotions that may be offered at jcpenney stores in the U.S. and online at jcp.com.

<b>No Interest For 6, 12, 18, or 24 Months</b>	For each promotion, after the promotion ends, the APR that applies to your account when the promotional purchase is made will apply. At the time your account is opened, this is an APR of <b>26.99%</b> .
<b>No Interest Until January 1, 2013; or June 1, 2013</b>	

When you make a qualifying purchase under one of these promotions, no interest will be assessed on the purchase during the promotional period, but minimum monthly payments are required. Regular account terms apply to non-promotional purchases and, after promotion ends, to your promotional purchases. Offers are subject to credit approval. These promotional offers may not be available at all times for all purchases. Please see any special promotion advertising or other disclosures provided to you for the full terms of any special promotion offered.

Below is a description of certain special promotions that may be offered at jcpenney stores in Puerto Rico.

<b>No Interest If Paid in Full Within 12 Months</b>	For each promotion, if the promotional balance is not paid in full within the promotional period, interest will be imposed from the date of purchase at the APR that applies to your account when the promotional purchase is made. At the time your account is opened, this is an APR of <b>26.99%</b> .
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When you make a qualifying purchase under one of these promotions, no interest will be assessed on the purchase if you pay the following (the "promotional balance") in full within the applicable promotional period: (1) the promotional purchase amount, and (2) any related optional credit insurance/debt cancellation charges. If you do not, interest will be assessed on the promotional balance from the date of the purchase. Minimum monthly payments are required. Regular account terms apply to non-promotional purchases and, after promotion ends, to promotional purchases. Offers are subject to credit approval. These promotional offers may not be available at all times for all purchases. Please see any special promotion

advertising or other disclosures provided to you for the full terms of any special promotion offered.

**B. When We Charge Interest.** We charge interest on your purchases from the date you make the purchase until you pay the purchase in full, except as set forth below:

- We will not charge you interest during a billing cycle on any purchases if (i) you had no balance at the beginning of the billing cycle, or if (ii) you had such a balance, you paid that balance in full by the due date in that billing cycle.
- We will credit, as of the beginning of the billing cycle, any payment you make by the due date that we allocate to purchases if (i) you had no balance at the beginning of the previous billing cycle, or if (ii) you had such a balance, you paid that balance in full by the due date in the previous billing cycle.

**C. How We Calculate Interest.** During billing cycles in which interest is charged, for each balance type on your account we figure the interest charge on your account by applying the daily rate to the "daily balance" of your account for each day in the billing cycle. A separate daily balance will be calculated for the following balance types: purchases and other balances that are subject to different interest rates, Major Purchase Charges or special promotions.

To calculate the daily interest charge, we do the following steps each day for each balance type:

- First, we determine the "daily balance". To determine the daily balance, we take the beginning balance each day, add any new charges and fees posted that day, and subtract any payments and credits posted that day. This gives us the daily balance. Insurance premiums, if any, are not included in the daily balance subject to interest charge.

We apply fees among various balance types as follows:

- (a) late payment fees are treated as new purchases; and
- (b) debt cancellation fees are added to the Regular Charge balance.
- Second, we calculate the amount of interest charged. To do this, we multiply the applicable daily rate by each daily balance on your account.
- Third, we add the interest amount to the daily balance, and the sum will become the beginning balance for the following day.

Your interest charge for the billing cycle is the sum of the interest amounts that were charged each day during the billing cycle for each balance type. We charge a minimum of \$2.00 of interest in any billing cycle in which you owe interest and this charge is added proportionately to each balance type.

**FEES.** We charge the following fees. The table at the beginning of these Account Opening Disclosures shows the amount of each fee.

#### Penalty Fees.

A **Late Payment Fee** if we do not receive at least the total minimum payment due on your account as shown on your billing statement by 5:00 p.m. (ET) on the due date. The amount of the late payment fee will be equal to: (1) \$25 if you have paid at least your total minimum payment due by the due date in each of the prior six billing cycles or (2) \$35 if you have failed to pay at least the total minimum payment due by the due date in any one or more of the prior six billing cycles. However, if the late payment fee would exceed the total minimum payment for which the late payment fee is assessed, the amount of the late payment fee will instead be equal to the amount of the total minimum payment that was due.

#### PAYMENTS.

**A. Required Payment and Crediting of Payment.** Each billing cycle you must pay at least the total minimum payment by 5:00 p.m. (ET) on the payment due date. You may at any time pay in whole or in part the total unpaid balance without any additional charge for prepayment. If you have a balance subject to interest, earlier payment may reduce the amount of interest you pay. Any payments received after 5:00 p.m. (ET) will be credited as of the next day. We may delay making credit available on your account in the amount of your payment.

**B. Minimum Payment.** Your total minimum payment will be calculated as shown below. Your minimum payment on the Regular Charge balance will not be less than the total of any unpaid interest and insurance premiums due. If your new balance on your billing statement is less than the amount in section 1.(a) below, then your total minimum payment will be equal to the new balance. Your total minimum payment will be:

#### 1. The greater of:

- (a) \$25, or \$35 (which includes any past due amounts) if you have failed to pay at least the total minimum payment due by the due date in any one or more of the prior six billing cycles, or



(b) the sum of any past due amounts, any credit insurance premiums, the minimum payment on the Regular Charge balance, and the minimum payment on the Major Purchase Charge balance, calculated as follows:

(i) for the Regular Charge balance, 5% of the new Regular Charge balance, rounded down to the whole dollar;

(ii) for the Major Purchase Charge balance, 2.5% of your highest Major Purchase Charge balance since your Major Purchase Charge balance was zero, rounded down to the whole dollar.

OR

2. If you are charged a late payment fee during a billing cycle, for the next four months, we will make the following calculation each month as long as you make at least the total minimum payment each month as shown in section 1 above. We will calculate if the total of your payments is at least equal to the sum of the following: (A) the interest billed on your statement each month, plus (B) 1% of the new balance shown on your billing statement each month, plus (C) the late payment fee that was assessed in the billing cycle before the four month period. If for the four month period the sum of your payments is not at least equal to the sum of A, B and C, then your total minimum payment for future billing cycles will be the greater of either:

(a) the minimum payment calculation shown in section 1 above, or

(b) the sum of:

(i) 1% of the new balance shown on your billing statement plus interest and late payment fees charged to your account in the current billing cycle, rounded down to the whole dollar; PLUS

(ii) any past due amounts.

**C. Payment Allocation.** We reserve the right to select the method by which the required total minimum payment is allocated to different balances on your account. Some or all of the required total minimum payment on your account will be applied to lower APR balances before higher APR balances. The payment allocation method that we use may result in higher interest on your account or reduced savings attributable to any special promotions. Any payment you make in excess of the required minimum payment will be allocated to balances with higher APRs before balances with lower APRs, unless applicable law requires or permits otherwise (such as when your account has a certain type of special promotion).

#### DISPUTE AND CLAIM RESOLUTION (INCLUDING ARBITRATION)

The Agreement has a dispute and claim resolution provision (including arbitration) that may substantially limit your rights if we have a dispute, including your rights to litigate in court, to a jury trial, to discovery, to appeals and to be a representative plaintiff or member of a class action. You have a right to reject the provision in 60 days by following the provision's instructions, and that rejection has no effect on the Agreement's other terms.

**CHANGING TERMS.** Subject to the requirements and limitations of applicable law, we may change, add to or delete any of the terms of the Agreement, including the interest rates, fees and charges.

#### STATE NOTICES

**CA Residents:** If you are married, you may apply for a separate account.

**NY Residents:** A consumer credit report may be obtained in connection with evaluating your application and subsequently in connection with updates, renewals, or extensions of credit for which this application is made.

**OH Residents:** The Ohio laws against discrimination require that all creditors make credit equally available to all credit worthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio civil rights commission administers compliance with this law.

**WI Residents:** No provision of a marital property agreement, a unilateral statement under sec. 766.59, Wis. Stats., or a court decree under sec. 766.70, Wis. Stats., adversely affects the interest of the creditor unless the creditor, prior to the time credit is granted, is furnished a copy of the agreement, statement or decree or has actual knowledge of the adverse provision when the obligation to the creditor is incurred. **Residents of Wisconsin applying for an individual account must give us the name and address of their spouse, regardless of whether the spouse may use the Card. Please provide this information to us at P.O. Box 965009, Orlando, FL 32896-5009.**

*Your Billing Rights: Keep this Document for Future Use*

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

*What To Do If You Find A Mistake On Your Statement*

If you think there is an error on your statement, write to us at:

GE Capital Retail Bank  
P. O. Box 965008  
Orlando, FL 32896-5008

In your letter, give us the following information:

- **Account information:** Your name and account number.
- **Dollar amount:** The dollar amount of the suspected error.
- **Description of problem:** If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors *in writing*. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

*What Will Happen After We Receive Your Letter*

When we receive your letter, we must do two things:

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.

2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your Credit Limit.

After we finish our investigation, one of two things will happen:

- **If we made a mistake:** You will not have to pay the amount in question or any interest or other fees related to that amount.
- **If we do not believe there was a mistake:** You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse



to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

***Your Rights If You Are Dissatisfied With Your Credit Card Purchases***

If you are dissatisfied with the goods or services that you have purchased with your credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase.

To use this right, all of the following must be true:

1. The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these are necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)

2. You must have used your credit card for the purchase. Purchases made with Cash Advances from an ATM or with a check that accesses your credit card account do not qualify.

3. You must not yet have fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at:

GE Capital Retail Bank  
P. O. Box 965008  
Orlando, FL 32896-5008

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.

## PRIVACY POLICY

REV 7/11

FACTS	WHAT DOES GE CAPITAL RETAIL BANK DO WITH YOUR PERSONAL INFORMATION		
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all, sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.		
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"><li>• Social Security number and income</li><li>• Account balances and payment history</li><li>• Credit history and credit scores</li></ul>		
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons GE Capital Retail Bank chooses to share; and whether you can limit this sharing.		
Reasons we can share your personal information		Does GE Capital Retail Bank share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus		Yes	No
For our marketing purposes— to offer our products and services to you		Yes	No
For joint marketing with other financial companies		Yes	No
For our affiliates' everyday business purposes— information about your transactions and experiences		Yes	No
For our affiliates' everyday business purposes— information about your creditworthiness		Yes	Yes
For our affiliates to market to you		Yes	Yes
For nonaffiliates to market to you		Yes	Yes*
To limit our sharing	<p>Call 1-877-969-1233 — our menu will prompt you through your choice(s).</p> <p><b>Please note:</b> If you are a <i>new</i> customer, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.</p>		
Questions?	Call 1-800-542-0800 (Puerto Rico, U.S. Virgin Islands or Guam residents call 1-800-981-8400)		



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What we do	
<b>How does GE Capital Retail Bank protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
<b>How does GE Capital Retail Bank collect my personal information?</b>	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> <li>• open an account or give us your contact information</li> <li>• provide account information or pay your bills</li> <li>• use your credit card</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes - (information about your creditworthiness)</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p>
<b>What happens when I limit sharing for an account I hold jointly with someone else?</b>	Your choices will apply to everyone on your account.
Definitions	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>• <i>Our affiliates include companies with a GE, General Electric or Monogram name; financial companies such as General Electric Capital Corporation and Monogram Credit Services; and nonfinancial companies, such as General Electric Company.</i></li> </ul>
<b>Nonaffiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>• <i>Nonaffiliates we share with can include the retailer named on your account and direct marketing companies.</i></li> </ul>
<b>Joint marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>• <i>Our joint marketing partners include insurance companies.</i></li> </ul>
Other important information	
<p>We follow state law if state law provides you with additional privacy protections. For instance, if (and while) your billing address is in Vermont, we will treat your account as if you had exercised the opt-out choice described above and you do not need to contact us to opt out. If you move from Vermont and you wish to restrict us from sharing information about you as provided in this notice, you must then contact us to exercise your opt-out choice.</p>	

\*Please keep in mind that we share information about you with Jcpenney and its affiliates and licensees (the "Jcpenney family") for use in connection with the Jcpenney rewards credit card program and as otherwise permitted by law. They may use this information to create and update their records, to provide you with notices of special promotions and other tailored offerings, to answer questions about your account and perform other Jcpenney rewards credit card program functions or for other purposes permitted by law. If you opt out of sharing with nonaffiliates, your opt out will not prohibit us from sharing your information with the Jcpenney family.

The above notice applies only to consumer Jcpenney rewards credit card accounts with GE Capital Retail Bank and does not apply to any other accounts you have with us. It replaces our previous privacy notice disclosures to you. We can change our privacy policy at any time and will let you know if we do if/as required by applicable law.

For helpful information about identity theft, visit the Federal Trade Commission's (FTC) consumer website at <http://www.ftc.gov/idtheft>.



# Koehler Declaration

## Exhibit 3

Agreement



JCPENNEY  
[J0247]  
(4/11) PLCC TERMS EN REV 8/11  
M-104399

**GE CAPITAL RETAIL BANK**  
**THE JCPENNEY REWARDS CREDIT CARD**

Interest Rates and Interest Charges	
<b>Annual Percentage Rate (APR) for Purchases</b>	<b>26.99%</b>
<b>How to Avoid Paying Interest</b>	Your due date is at least 23 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month.
<b>Minimum Interest Charge</b>	If you are charged interest, the charge will be no less than \$2.00.
<b>For Credit Card Tips from the Federal Reserve Board</b>	To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at <a href="http://www.federalreserve.gov/creditcard">http://www.federalreserve.gov/creditcard</a> .
<b>FEES</b>	
<b>Penalty Fees</b>	
• Late Payment	Up to <b>\$35</b>

**How We Will Calculate Your Balance:** We use a method called "daily balance". See the credit card agreement below for more details.  
**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in your credit card agreement below.

**THE JCPENNEY REWARDS CREDIT CARD**  
**ACCOUNT AGREEMENT**

**1. CONTRACT.** This Agreement ("Agreement") is a contract for the extension of credit. It controls your JCPenney rewards credit card account. This Agreement includes this document and the following documents:

- The Application or any other document you submitted to us in connection with the account; and
- The privacy policy that is enclosed with or attached to this document.

By opening or using your account, you agree to the terms of this Agreement. This Agreement starts when (i) you give us an account application we approve or (ii) you use your account or let someone else use it, whichever occurs first.

**2. PARTIES.** The parties to this Agreement are you and GE Capital Retail Bank. GE Capital Retail Bank is located at 170 West End Avenue, Suite 125, Draper, Utah 84020. GE Capital Retail Bank sometimes is called "us," "we" or "our" in this Agreement, and all persons who we approve to use the account may be referred to as "you" or "your".

**3. PROMISE TO PAY.** You promise to pay us for all credit that we extend on your account, including credit extended when you authorize another person use your account. You also promise to pay us for all other amounts owed to us under this Agreement.

**4. CHANGING TERMS.** Subject to the requirements and limitations of applicable law, we may change, add to or delete any of the terms of this Agreement, including the interest rates, fees and charges.

**5. GOVERNING LAW.** Except as provided in the Dispute and Claim Resolution (Including Arbitration) provision, this Agreement and your account are governed by federal law and, to the extent state law applies, the laws of Utah without regard to its conflicts of law principles. This Agreement has been accepted by us in Utah.

**6. CREDIT CARD.** We have issued or will send you a JCPenney rewards credit card for your use. You are not permitted to allow anyone else to use your credit card, but if you do, you will be responsible for such use. You will destroy all the credit card(s) issued on your account if we ask you to do so.

**7. AUTHORIZED USER/JOINT ACCOUNT.** If you ask us to send a credit card to another person that you want to let use your account, you will be responsible for all transactions made by that person. That person will be considered an authorized user. If another person is approved on the account, that person will be considered a joint accountholder. Each joint accountholder may use the account and agrees to the terms of this Agreement. No matter which joint accountholder uses the account, each of you must pay back the full amount owed on the account. We may treat each of you as one accountholder. For example, giving notice to one of you is considered the same as giving notice to both of you. Also, we may follow the

• We will credit, as of the beginning of the billing cycle, any payment you make by the due date that we allocate to purchases (i) if you had no balance at the beginning of the previous billing cycle, or (ii) if you had such a balance, that balance was satisfied in full by payments and credits by the due date in the previous billing cycle.

**8. How We Calculate Interest.** During billing cycles in which interest is charged, for each balance type on your account we include the interest charge on your account by applying the daily rate to the "daily balance" of your account for each day in the billing cycle. A separate daily balance will be calculated for the following balance types: purchases and other balances that are subject to different interest rates, Major Purchase Charges or special promotions.

To calculate the daily interest charge, we do the following steps each day for each balance type:

- First, we determine the "daily balance". To determine the daily balance, we take the beginning balance each day, add any new charges and fees posted that day, and subtract any payments and credits posted that day. This gives us the daily balance. Insurance premiums, if any, are not included in the daily balance subject to interest charge.

We apply fees among various balance types as follows:

- (a) late payment fees are treated as new purchases; and
  - (b) delinquent cancellation fees are added to the Regular Charge balance.
- Second, we calculate the amount of interest charged. To do this, we multiply the applicable daily rate by each daily balance on your account.

• Third, we add the interest amount to the daily balance, and the sum will become the beginning balance for the following day.

Your interest charge for the billing cycle is the sum of the interest amounts that were charged each day during the billing cycle for each balance type. We charge a minimum of \$2.00 of interest in any billing cycle in which you owe interest and this charge is added proportionately to each balance type.

**11. FEES.** We charge the following fees. The table at the beginning of this Agreement shows the amount of each fee.

**Penalty Fees.**

**A. Late Payment Fee.** If we do not receive at least the total minimum payment due on your account as shown on your billing statement by 5:00 p.m. (ET) on the due date, the amount of the late payment fee will be equal to: (1) \$25 if you have paid at least your total minimum payment due by the due date in each of the prior six billing cycles; or (2) \$35 if you have failed to pay at least the total minimum payment due by the due date in any one or more of the prior six billing cycles. However, if the late payment fee would exceed the total minimum payment for which the late payment fee is assessed, the amount of the late payment fee will instead be equal to the amount of the total minimum payment that was due.

**12. PAYMENTS.**

**A. Required Payment and Crediting of Payment.** Each billing cycle you must pay at least the total minimum payment by 5:00 p.m. (ET) on the payment due date. You may at any time pay, in whole or in part, the total unpaid balance without any additional charge for prepayment. If you have a balance subject to interest, earlier payment may reduce the amount of interest you pay. Any payments received after 5:00 p.m. (ET) will be credited as of the next day. We may delay making credit available on your account in the amount of your payment.

**B. Minimum Payment.** Your total minimum payment will be calculated as shown below. Your total minimum payment will not be less than the total of any unpaid interest and insurance premiums due. If your new balance on your billing statement is less than the amount in section 1 (a) below, then your total minimum payment will be equal to the new balance. Your total minimum payment will be:

1. The greater of:

- (a) \$25, or \$35 if you have failed to pay at least the total minimum payment due by the due date in any one or more of the prior six billing cycles; or

(b) the sum of any past due amounts, any credit insurance premiums, the minimum payment on the Regular Charge balance, and the minimum payment on the Major Purchase Charge balance, calculated as follows:

- (i) for the Regular Charge balance, 5% of the new Regular Charge balance, rounded down to the whole dollar;

(ii) for the Major Purchase Charge balance, 2.5% of your total Major Purchase Charge balance since your Major Purchase Charge balance was zero, rounded down to the whole dollar.

OR

2. If you are charged a late payment fee during a billing cycle, for each month you have not paid the fee, we will make the following calculation: (i) the late payment fee for the month as long as you make at least the total minimum payment each month as shown in section 1 above. We will calculate if the

total of your payments is at least equal to the sum of the following: (a) the interest billed on your statement each month, plus (ii) 1% of the new balance shown on your billing statement each month, plus (c) the late payment fee that was assessed in the billing cycle before the four month period. If for the four month period the sum of your payments is not at least equal to the sum of A, B and C, then your total minimum payment for future billing cycles will be the greater of either:

- (a) the minimum payment calculation shown in section 1 above; or
- (b) the sum of:

- (i) 1% of the new balance shown on your billing statement plus interest and late payment fees charged to your account in the current billing cycle, rounded down to the whole dollar, PLUS
- (ii) any past due amounts.

**C. How to Make a Payment.** To make a payment you must follow all the instructions below and the instructions on your billing statement. If you do not, crediting of your payment to your account may be delayed up to five days.

**1. Do the following:** (a) make your payment in United States dollars by check, money order, or direct deposit to the bank located in the U.S.; (b) send the payment coupon from your billing statement with your payment; (c) send the payment and payment coupon in the envelope provided with your billing statement to the payment address listed on your billing statement; and (d) send only one payment and one payment coupon in each envelope. Alternatively you may make your payment online at the website address shown on your billing statement, provided you make your payment in United States dollars from a bank located in the U.S.

**2. Do not do the following:** (a) staple, paper clip, tape or fold your payment or payment coupon; (b) include any other papers or items with your payment; or (c) send us cash.

**D. Other Ways to Make a Payment.** JCPenney stores take payments that you make to them as a convenience to you. We may not credit those payments to your account until we receive them. Under ordinary circumstances, any payment made at a JCPenney store will be credited as of the day you make such payment in the store. We may allow you to make payments over the phone as an accommodation to you, but we may charge you a fee to do so.

**E. Disputed Amounts.** If you send us correspondence about a disputed amount, you must send it to the address for billing inquiries shown on your billing statement. You may not send it to the payment address shown on your billing statement. If a disputed amount, we mean a payment of less than the full balance shown on your account that is labeled as "payment in full" or similar language, or is given to us with our satisfaction of a disputed amount, or is given to us with other conditions or limitations. We must receive these types of payments without giving up any of our rights.

**F. Authorization.** When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution.

**G. Payment Allocation.** We reserve the right to select the method by which the required total minimum payment is allocated to different balances on your account. Some or all of the required total minimum payment on your account will be applied to lower APR balances before higher APR balances. The payment allocation method that we use may result in higher interest on your account or reduced savings attributable to any special promotions. Any payment you make in excess of the required total minimum payment will be allocated to balances with higher APRs before balances with lower APRs, unless applicable law requires or permits otherwise (such as when your account has a certain type of special promotion).

**13. SPECIAL PROMOTIONS.** At times, we may offer you special promotions when you use your account for certain transactions. These special promotions will have some terms that are different from the terms in this Agreement. The provisions of this Agreement apply to any special promotion, unless otherwise provided under the terms of the special promotion. Please see any special promotion advertising (including in-store signs) or other disclosures provided to you for the full terms of any special promotion offered.

**14. UNAUTHORIZED USE.** If you notice the loss or theft of your credit card or possible unauthorized use of your card, you should call us immediately at 1-800-547-0800 (Puerto Rico and U.S. Virgin Islands residents, call 1-800-681-6400).

You will not be liable for any unauthorized use on your account.

You agree that unauthorized use does not include use by a person to whom you have given your card or allowed to use your account. You will be responsible for all use by such a person.

**15. YOUR CREDIT REPORTS AND ACCOUNT INFORMATION.**

**A. Using and Sharing Your Information.** When you applied for an account, you gave us information about your creditworthiness that we could ask others for information about your creditworthiness and that we could ask consumer reporting agencies for your consumer

report. We use this information in considering your application. We also use this information for any updates, renewals or extensions of credit on your account. We use this information to review and collect your account. We use this information to provide you with offers. We may give information about you or your account to consumer reporting agencies and other proper parties. This information may include your performance under this Agreement.

**B. Inaccurate Information.** Tell us if you think we reported wrong information about you to a consumer reporting agency (also called a credit bureau). Write to us at P.O. Box 865067, Orlando, FL 32886-5007 (Puerto Rico and U.S. Virgin Islands residents, write to P.O. Box 364788, San Juan, PR 00936-4788). In your written communication, tell us what information is wrong and why you think it is wrong. If you have a copy of the credit report that includes the wrong information, send a copy of it with your written communication. We may report information about your account to credit bureaus. Late payments, missed payments, or other details on your account may be reflected in your credit report.

**16. USE OF INFORMATION ABOUT YOU AND YOUR ACCOUNT.** You authorize and direct us to give information about you and your account to JCPenney and its affiliates and licensees (the "JCPenney family"). The JCPenney family will use the information in connection with JCPenney credit programs. The JCPenney family will also use the information for things like creating and updating their customer records for you, assisting them in better serving you, and providing you with notices of special promotions, marketing offers and tailored offerings. We will use information about you and your account as set forth in the privacy policy that is attached to or enclosed with this document.

**17. CHANGE OF ADDRESS/PHONE NUMBER.** You agree to tell us right away if you change your address or phone number(s). We will contact you at the address in our records until we are able to update our records with your new address.

**18. CONSENT TO COMMUNICATIONS.** You consent to us contacting you using all channels of communication and for all purposes (including collection purposes), using all contact information you provide to us. You also consent to us and any other owner or servicer of your account contacting you about your account, including using text messages, any automatic telephone dialing system and/or an artificial or prerecorded voice when contacting you, even if you are charged for the call under your phone plan. You are responsible for any charges for contacting you that may be billed to you by your communications carrier.

**19. TELEPHONE MONITORING.** For quality control purposes, you permit our employees, agents, and representatives to listen to or record telephone calls between you and us.

**20. CLOSING YOUR ACCOUNT.**

**A. When You May Close Your Account.** You may close your account at any time by writing or calling us and asking us to close your account. You must send this writing in the Customer Service address shown on your billing statement. If you are a cardholder, the card number shown on your billing statement. We will close your account after we get your request.

**B. When We May Close Your Account.** Subject to the requirements and limitations of applicable law, we may close your account at any time and for any reason.

**C. After You or We Close Your Account.** If you or we close your account, you must stop using it. You will still have to pay us the full amount you owe on your account. This Agreement controls your account until you pay it in full.

**21. DEFAULT.** Subject to the requirements and limitations of applicable law, you are in default if you:

- Make a late payment;
- Do not follow any other term of this Agreement; or
- Become bankrupt or insolvent.

If you default or upon your death, we may, subject to the requirements and limitations of applicable law: (i) make the full amount owing on your account due right away; (ii) bring a legal action to collect all amounts owed; and/or (iii) take any action allowed by law. We may also reduce your credit limit or close your account at any time whether or not you are in default. **22. COLLECTION COSTS.** If we ask an attorney to collect your account, you may be liable for collection costs. Collection costs may include court costs and reasonable attorney's fees. We will charge these costs only if the attorney we ask to collect is not our salaried employees and the law allows us to do so.

**23. DISPUTE AND CLAIM RESOLUTION (INCLUDING ARBITRATION) PROVISION.**

**General Requirement to Arbitrate.** PLEASE READ THIS PROVISION CAREFULLY. UNLESS YOU SEND US THE REJECTION NOTICE DESCRIBED BELOW, THIS PROVISION WILL APPLY TO YOUR ACCOUNT, AND MOST DISPUTES BETWEEN YOU AND US WILL BE SUBJECT TO INDIVIDUAL ARBITRATION. THIS MEANS THAT: (1) IF YOU ARE A COURT ACTION A JURY TRIAL, AND (2) YOU WILL NOT BE ABLE TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING; (3) LESS INFORMATION WILL BE AVAILABLE; AND (4) APPEAL RIGHTS WILL BE LIMITED. This Provision reduces any class or arbitration provision with us and we stay in force no matter what happens to your Account, including termination. Upon demand, and except as otherwise provided below,

you and we must arbitrate individually any dispute or claim between you, any joint cardholder and/or any additional cardholder, on the one hand; and us, our affiliates, agents and/or JCPenney, on the other hand; if the dispute or claim arises from or relates to your Account. However, we will not require you to arbitrate: (1) any individual case in small claims court or your state's equivalent court, so long as it remains an individual case in that court; or (2) any claim by us that only involves our effort to collect money owed to us. However, if you respond to a collection lawsuit by claiming that we engaged in any wrongdoing, we may require you to arbitrate.

**YOU AGREE NOT TO PARTICIPATE IN A CLASS, REPRESENTATIVE OR PRIVATE ARBITRATION GENERAL ACTION AGAINST US IN COURT OR ARBITRATION. ALSO, YOU MAY NOT BRING CLAIMS AGAINST US ON BEHALF OF ANY CARDHOLDER WHO IS NOT A JOINT OR ADDITIONAL CARDHOLDER WITH YOU ON YOUR ACCOUNT (AN "UNRELATED CARDHOLDER"), AND YOU AGREE THAT ANY "UNRELATED CARDHOLDER MAY BRING ANY CLAIMS AGAINST US ON YOUR BEHALF. CLAIMS BY YOU AND BY AN UNRELATED CARDHOLDER MAY NOT BE JOINED IN A SINGLE ARBITRATION.** Only a court may decide whether any part of this paragraph is enforceable. If it is finally determined that this paragraph is not fully enforceable, only this sentence of the Provision will remain in force and the remainder of the Provision will be null and void, provided that the court's determination concerning the enforceability of this paragraph shall be subject to appeal.

**Starting an Arbitration.** If you or we elect to arbitrate a claim, the electing party must notify the other party in writing. This notice can be given after the beginning of a lawsuit and can be given in papers filed in the lawsuit. Or, you may give your notice by e-mail to GE Capital Retail Bank, Legal Department, P.O. Box 29110, Shawnee Mission, KS 66201, ATTN: ARBITRATION DEMAND; and our notice must be sent to the most recent address for you in our files. The party seeking arbitration must select as the arbitration administrator either the American Arbitration Association ("AAA"), 1632 Broadway, 10th Floor, New York, NY 10019; www.adr.org; (800) 776-7870; or JAMS, 1820 Light Avenue, 24th Floor, New York, NY 10018; www.jamsadr.com; (800) 352-5267. If neither the AAA nor JAMS is able or willing to handle the dispute, then the parties will resolve their dispute in court.

The arbitration administrator will appoint the arbitrator and tell the parties what to do next. The arbitrator must be a lawyer with at least ten years legal experience. In making decisions or awarding remedies, the arbitrator must apply the same law and legal principles that would apply in court, but we may use different procedural rules. If the administrator's rules conflict with this Provision, this Provision will control.

**Arbitration Location and Fees.** The arbitration will take place by phone or at a location reasonably convenient to you. Upon your request, we will normally pay all the fees the administrator or arbitrator charges. If we believe you are acting in good faith, we will reimburse your arbitration costs, as well as your legal fees and costs, to the extent required under applicable law or in order for the dispute to be enforced.

**Governing Law.** This Provision is governed by the Federal Arbitration Act ("FAA"). Utah law shall apply to the extent state law is relevant under Section 2 of the FAA in determining the validity of this Provision. The arbitrator must follow: (1) the substantive law, consistent with the FAA, that would apply if the matter had been brought in court; (2) this Provision; and (3) the administrator's rules. The arbitrator's decision will be final and binding, except for any appeal right under the FAA. Any court with jurisdiction may enter judgment upon the arbitrator's award.

**Rejecting this Provision.** You may reject this Provision, in which case only a court may be used to resolve any dispute or claim. Rejection will not affect any other aspect of the cardholder agreement. To reject, you must send us a notice within 60 days after you open your account or we first provide you with a right to reject this Provision. The notice must include your name, address, and account number and be mailed to GE Capital Retail Bank, P.O. Box 952012, Orlando, FL 32895-2012. This is the only way you can reject this Provision.

**24. WAIVER.** We may decide to give up any of our rights under this Agreement. This includes our right to impose the full amount of any charge. If we do, we do not give up any of our other rights under this Agreement. If we give up any of our rights in one situation, we do not give up the same right in another situation. Except as we may agree in a signed writing, we do not give up any rights if we (a) accept a late or partial payment; (b) accept a check or other payment marked "payment in full" or tendered with other conditions of limitations; (c) extend the due date of any payment due under this Agreement; and/or (d) release any claim or person responsible for your obligations under this Agreement.

**25. ASSIGNMENT.** We may sell, assign or transfer any or all of our rights or duties under this Agreement or your account. This includes our rights to payments. We do not have to give you prior notice of such action. You may not sell, assign or transfer any of your rights or duties under this Agreement or your account.

**26. SEVERABILITY.** If any part of this Agreement is found to be void or unenforceable under applicable law, all other parts of this Agreement will still apply.

**27. ENTIRE AGREEMENT.** This Agreement, along with the other documents listed in section 1 above, are the entire agreement between you and us relating to your account. These documents replace any other agreement relating to your account that you and we made earlier or at the same time. This Agreement may not be changed except as provided in this Agreement.



## STATE NOTICES

**NEW JERSEY RESIDENTS:** Certain provisions of this Agreement are subject to applicable law. As a result, they may be void, unenforceable or inapplicable in some jurisdictions. None of these provisions, however, is void, unenforceable or inapplicable in New Jersey.

**WISCONSIN RESIDENTS:** No provision of a marital property agreement, a unilateral statement under sec. 766.50, Wis. Stats., or a court decree under sec. 766.70, Wis. Stats., adversely affects the interest of the creditor unless the creditor, prior to the time credit is granted, is furnished a copy of the agreement, statement or decree or has actual knowledge of the adverse provision when the obligation to the creditor is incurred. Residents of Wisconsin applying for an individual account must give us the name and address of their spouse, regardless of whether the spouse may use the card. Please provide this information to us at P.O. Box 965008, Orlando, FL 32896-5008.

**PLEASE NOTE:** You may request a copy of this Agreement in Spanish.

Your signature on the application or sales slip (or online screen) for the initial purchase approved on this Account represents your signature on this Agreement and is incorporated here by reference.

We have signed this Agreement as follows:

*Margaret M. Keane*

Margaret Keane  
Executive Vice President  
GE Capital Retail Bank

Your Billing Rights: Keep this Document for Future Use

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

**What To Do If You Find A Mistake On Your Statement**

If you think there is an error on your statement, write to us at:

GE Capital Retail Bank  
P.O. Box 965008  
Orlando, FL 32896-5008

In your letter, give us the following information:

- **Account information:** Your name and account number.
- **Dollar amount:** The dollar amount of the suspected error.
- **Description of problem:** If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors in writing. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

**What Will Happen After We Receive Your Letter**

When we receive your letter, we must do two things:

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.

2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your Credit Limit.

After we finish our investigation, one of two things will happen:

- If we made a mistake: You will not have to pay the amount in question or any interest or other fees related to that amount.
- If we do not believe there was a mistake: You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the reasons of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

**Your Rights If You Are Dissatisfied With Your Credit Card Purchases**

If you are dissatisfied with the goods or services that you have purchased with your credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase.

To use this right, all of the following must be true:

1. The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these are necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)

2. You must have used your credit card for the purchase. Purchases made with Cash Advances from an ATM or with a check that accesses your credit card account do not qualify.

3. You must not yet have fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at:

GE Capital Retail Bank  
P.O. Box 965008  
Orlando, FL 32896-5008

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.

## jcp rewards program

Cardmembers who are U.S. residents (including Puerto Rico and U.S. territories) are automatically enrolled in the jcp rewards program (the "Program"). Cardmembers who are in good standing will receive one jcp reward point for every \$1 (USD) spent on qualifying purchases. Purchases of the following items are not qualifying purchases and points will not be earned on them: Sephora products purchased online (only), jcpenny outlet store purchases, jcpenny online outlet purchases, dollars spent on sales tax, estate fees, shipping charges, reducing fees, delivery charges, gift cards and e-Gift Cards, all jcpenny stores or jcp.com, plus an extra 25% bonus points for using your jcpenny rewards credit card. Once you earn 250 points or more in a calendar month, you will be eligible to receive a jcp rewards certificate ("jcp rewards" or a "certificate") redeemable on any eligible jcpenny purchase (some exclusions and restrictions apply; see certificate for details). jcp rewards members are eligible to earn one \$10 jcp rewards certificate per month with 250 or more points. jcp rewards gold and platinum members are eligible to earn \$20 (\$20 - \$50 jcp rewards certificates) in jcp rewards certificates per month with 500 or more points. jcp rewards platinum members are eligible to earn \$30 (\$30 - \$10 jcp rewards certificates) in jcp rewards certificates per month with 750 or more points. Points expire at the end of each calendar month and do not carry forward to the next month. Certificates will be delivered by U.S. mail unless you have registered an email address at [www.jcprewards.com](http://www.jcprewards.com), in which case certificates will be delivered via email. Certificates must be used by the expiration date listed on the certificate and must be surrendered at the time of purchase. If your jcpenny purchase is less than the amount designated on the certificate, you will forfeit the remainder of that amount. Certificates cannot be credited to any account, redeemed for cash, replaced if merchandise is returned, or applied to prior purchases. Lost or stolen certificates are not replaceable. Certificates are not transferable and are void where prohibited by law. We reserve the right to amend or modify the Program at any time and in any way without notice (including, without limitation, our right to suspend points or adjust the number of points for each dollar in purchases). We further reserve the right to terminate the Program at any time without notice. For full terms and conditions or for other questions about the Program, please visit [www.jcprewards.com/credit](http://www.jcprewards.com/credit) or call 1-866-527-7037.

## jcpenny rewards gold / platinum card level details:

Spend \$500 or more on merchandise or services with your jcpenny rewards credit card over 2 or more unique shopping days in each calendar year to earn or maintain jcpenny rewards gold status. Spend \$1,000 or more on merchandise or services with your jcpenny rewards credit card over 2 or more unique shopping days in each calendar year to earn or maintain jcpenny rewards platinum status. jcpenny rewards gold / platinum status is determined at time of your jcpenny rewards statement after meeting purchase threshold. We reserve the right to change or cancel the jcpenny rewards gold / platinum program or any or all of its benefits at any time with out notice. If your account is not in good standing and/or you no longer meet our criteria, you may be ineligible for the jcpenny rewards gold / platinum program and/or unable to take advantage of jcpenny rewards gold / platinum promotions. The jcpenny rewards gold / platinum program is available only while you are a resident of the 48 contiguous United States, Puerto Rico and Alaska. For complete details, visit [jcprewards.com/credit](http://jcprewards.com/credit) or your local store.

## PRIVACY POLICY

REV 8/11

FACTS	WHAT DOES GE CAPITAL RETAIL BANK DO WITH YOUR PERSONAL INFORMATION
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all, sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> <li>• Social Security number and income</li> <li>• Account balances and payment history</li> <li>• Credit history and credit scores</li> </ul>
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons GE Capital Retail Bank chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does GE Capital Retail Bank share?	Can you limit this sharing?
For our everyday business purposes—such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes—to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes—information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes—information about your creditworthiness	Yes	Yes
For our affiliates to market to you	Yes	Yes
For nonaffiliates to market to you	Yes	Yes*

Call 1-877-969-1233 — our menu will prompt you through your choice(s)

## To limit our sharing

**Please note:** If you are a new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.

**Questions?** Call 1-800-542-0800 (Puerto Rico, U.S. Virgin Islands or Guam residents call 1-800-981-8400)

What we do
<p><b>How does GE Capital Retail Bank protect my personal information?</b></p> <p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p>
<p><b>How does GE Capital Retail Bank collect my personal information?</b></p> <p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> <li>• open an account or give us your contact information</li> <li>• provide account information or pay your bills</li> <li>• use your credit card</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
<p><b>Why can't I limit all sharing?</b></p> <p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes - (information about your creditworthiness)</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p>
<p><b>What happens when I limit sharing for an account I hold jointly with someone else?</b></p> <p>Your choices will apply to everyone on your account.</p>
Definitions
<p><b>Affiliates</b></p> <p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>• Our affiliates include companies with a GE, General Electric or Monogram name; financial companies such as General Electric Capital Corporation and Monogram Credit Services; and nonfinancial companies, such as General Electric Company.</li> </ul>
<p><b>Nonaffiliates</b></p> <p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>• Nonaffiliates we share with can include the retailer named on your account and direct marketing companies.</li> </ul>
<p><b>Joint marketing</b></p> <p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>• Our joint marketing partners include insurance companies.</li> </ul>
Other important information
<p>We follow state law if state law provides you with additional privacy protections. For instance, if (and while) your billing address is in Vermont, we will treat your account as if you had exercised the opt-out choice described above and you do not need to contact us to opt out. If you move from Vermont and you wish to restrict us from sharing information about you as provided in this notice, you must then contact us to exercise your opt-out choice.</p>

\*Please keep in mind that we share information about you with jcpenny and its affiliates and licensees (the "jcpenny family") for use in connection with the jcpenny rewards credit card program and as otherwise permitted by law. They may use this information to create and update their records, to provide you with notices of special promotions and other tailored offerings, to answer questions about your account and perform other jcpenny rewards credit card program functions or for other purposes permitted by law. If you opt out of sharing with nonaffiliates, your opt out will not prohibit us from sharing your information with the jcpenny family.

The above notice applies only to consumer jcpenny rewards credit card accounts with GE Capital Retail Bank and does not apply to any other accounts you have with us. It replaces our previous privacy notice disclosures to you. We can change our privacy policy at any time and will let you know if we do it as required by applicable law.

For helpful information about identity theft, visit the Federal Trade Commission's (FTC) consumer website at <http://www.ftc.gov/idtheft>.



# Koehler Declaration

## Exhibit 4

Change in Terms



## Exhibit 4

JCPENNEY  
CIT 0307A  
(1/12) PLCC TERMS EN Rev 5/12  
M-106434

## • How to reject this section.

You may reject this Arbitration section of your Agreement. If you do that, only a court may be used to resolve any dispute or claim. To reject this section, you must send us a notice within 60 days after you open your account or we first provided you with your right to reject this section. The notice must include your name, address and account number, and must be mailed to GE Capital Retail Bank, P.O. Box 965012, Orlando, FL 32896-5012. This is the only way you can reject this section.

**SECTION IV: OTHER IMPORTANT INFORMATION OF JCPENNEY  
REWARDS CREDIT CARD ACCOUNT AGREEMENT****STATE NOTICES**

**NEW JERSEY RESIDENTS:** Certain provisions of this Agreement are subject to applicable law. As a result, they may be void, unenforceable or inapplicable in some jurisdictions. None of these provisions, however, is void, unenforceable or inapplicable in New Jersey.

**NEW YORK RESIDENTS:** This Agreement will not become effective unless and until you or an authorized user signs a sales slip or memorandum evidencing a purchase or lease of property or services or the payment of a fine by use of your credit card and prior thereto you will not be responsible for any purchase or lease of property or services by use of your credit card after its loss or theft.

**TENNESSEE RESIDENTS:** This Agreement will not become effective unless and until we have (1) provided the disclosures required pursuant to the federal Truth in Lending Act, (2) you or an authorized user uses the account, and (3) we extend credit to you for that transaction on your account.

**WISCONSIN RESIDENTS:** No provision of a marital property agreement, a unilateral statement under sec. 766.59, Wis. Stats., or a court decree under sec. 766.70, Wis. Stats., adversely affects the interest of the creditor unless the creditor, prior to the time credit is granted, is furnished a copy of the agreement, statement or decree or has actual knowledge of the adverse provision when the obligation to the creditor is incurred. Married residents of Wisconsin applying for an individual account must give us the name and address of their spouse if the spouse also is a Wisconsin resident, regardless of whether the spouse may use the card. Please provide this information to us at P.O. Box 965009, Orlando, FL 32896-5009.

**PUERTO RICO RESIDENTS:** You may request a copy of this Agreement in Spanish.

Your signature on the application or sales slip (or online screen) for the initial purchase approved on this account represents your signature on this Agreement. It is incorporated herein by reference.

We have signed this Agreement as follows:

Margaret Keane  
Chairman and CEO  
GE Capital Retail Bank

**YOUR BILLING RIGHTS SUMMARY**

Your Billing Rights: Keep this Document for Future Use

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

**What To Do If You Find A Mistake On Your Statement**

If you think there is an error on your statement, write to us at:

GE Capital Retail Bank  
P.O. Box 965008  
Orlando, FL 32896-5008

In your letter, give us the following information:

- **Account information:** Your name and account number.
- **Dollar amount:** The dollar amount of the suspected error.

• **Description of problem:** If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.

• At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors in writing. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

**What Will Happen After We Receive Your Letter**

When we receive your letter, we must do two things:

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your Credit Limit.

After we finish our investigation, one of two things will happen:

- **If we made a mistake:** You will not have to pay the amount in question or any interest or other fees related to that amount.
- **If we do not believe there was a mistake:** You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

**Your Rights If You Are Dissatisfied With Your Credit Card Purchases**

If you are dissatisfied with the goods or services that you have purchased with your credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase.

To use this right, all of the following must be true:

1. The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these are necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)
2. You must have used your credit card for the purchase. Purchases made with Cash Advances from an ATM or with a check that accesses your credit card account do not qualify.
3. You must not yet have fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at:

GE Capital Retail Bank  
P.O. Box 965008  
Orlando, FL 32896-5008

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.

**GE CAPITAL RETAIL BANK****GE CAPITAL RETAIL BANK  
SECTION I: RATES AND FEES TABLE  
JCPENNEY REWARDS CREDIT CARD ACCOUNT AGREEMENT**

Interest Rates and Interest Charges	
Annual Percentage Rate (APR) for Purchases	See the Interest Charge Calculation section of the enclosed billing statement for your APR applicable to purchases.
How to Avoid Paying Interest	Your due date is at least 23 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month.
Minimum Interest Charge	If you are charged interest, there is a minimum interest charge. The amount of the minimum interest charge is not changing at this time and is the same amount provided in your existing terms.
For Credit Card Tips from the Consumer Financial Protection Bureau	To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau at <a href="http://www.consumerfinance.gov/learnmore">http://www.consumerfinance.gov/learnmore</a> .
FEES	
Penalty Fees	
• Late Payment	Up to \$35

**How We Will Calculate Your Balance:** We use a method called "daily balance". See your credit card agreement below for more details.

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in your credit card account agreement below.

**SECTION II: RATES, FEES AND PAYMENT INFORMATION  
JCPENNEY REWARDS CREDIT CARD ACCOUNT AGREEMENT**

HOW INTEREST IS CALCULATED	
Your Interest Rate	We use a daily rate to calculate the interest on the balance on your account each day. Interest will be imposed in amounts or at rates not in excess of those permitted by applicable law. The daily rate for purchases is the purchase APR times 1/365.  See the Interest Charge Calculation section of this billing statement for your APR applicable to purchases as of the date of this statement. The corresponding daily rate is equal to this APR times 1/365. If the Important Changes to Your Account Terms section of this billing statement includes a change to your APR for purchases, then the new APR and daily rate shown in that section will apply to purchases made after the effective date shown.
When We Charge Interest	We charge interest on your purchases from the date you make the purchase until you pay the purchase in full. See exceptions below.  • We will not charge you interest during a billing cycle on any purchases if: 1. You had no balance at the start of the billing cycle; OR 2. You had a balance at the start of the billing cycle and you paid that balance in full by the due date in that billing cycle.  • We will credit, as of the start of the billing cycle, any payment you make by the due date that we allocate to purchases if: 1. You had no balance at the start of the previous billing cycle; OR 2. You had a balance at the start of the previous billing cycle and you paid that balance in full by the due date in the previous billing cycle.
How We Calculate Interest	We figure the interest charge on your account separately for each balance type. We do this by applying the daily rate to the daily balance for each day in the billing cycle. A separate daily balance will be calculated for the following balance types, as applicable: purchases and other balances that are subject to different interest rates, Major Purchase Charges or special promotions. See below for how this works.  1. How to get the daily balance. We take the starting balance each day, add any new charges and fees, and subtract any payments or credits. This gives us the daily balance. Insurance premiums, if any, are not included in the daily balance subject to interest charge. Late payment fees and debt cancellation fees are treated as new purchases. 2. How to get the daily interest amount. We multiply each daily balance by the daily rate that applies. 3. How to get the starting balance for the next day. We add the daily interest amount in step 2 to the daily balance from step 1. 4. How to get the interest charge for the billing cycle. We add all the daily interest amounts that were charged during the billing cycle.  We charge a minimum interest charge in any billing cycle in which you owe interest. This charge is added proportionately to each balance type.

HOW FEES WORK	
Late Payment Fee	We will charge this fee if we do not receive the total minimum payment due on your account by 5 p.m. (ET) on the due date. This fee is equal to:  1. \$25, if you have paid your total minimum payment due by the due date in each of the prior six billing cycles. OR 2. \$35, if you have failed to pay your total minimum payment due by the due date in any one or more of the prior six billing cycles.  The late payment fee will not be more than the total minimum payment that was due.



**Minimum Payment Calculation.** Your total minimum payment will be calculated as follows:

The greater of:

1. The sum of:

- (a) \$25, or \$35 (which includes any past due amounts) if you have failed to pay at least the total minimum payment due by the due date in any one or more of the prior six billing cycles; PLUS
- (b) Any credit insurance premiums charged in the current billing cycle;

OR

2. The sum of:

- (a) The following amounts, rounded up to the next highest whole dollar:
  - (i) Any past due amounts; PLUS
  - (ii) 1% of your new balance (excluding any Major Purchase Charge balance) shown on your billing statement plus any interest charged in the current billing cycle on such balance; PLUS
  - (iii) Any late payment fees charged in the current billing cycle; PLUS
- (b) Any credit insurance premiums charged in the current billing cycle; PLUS
- (c) 2.5% of your highest Major Purchase Charge balance since your Major Purchase Charge balance was zero, rounded down to the whole dollar;

OR

3. If your account balance does not include debt cancellation fees, the sum of:

- (a) Any unpaid interest (excluding any interest charged on any Major Purchase Charge balance); PLUS
- (b) Any credit insurance and other insurance premiums charged in the current billing cycle; PLUS
- (c) 2.5% of your highest Major Purchase Charge balance since your Major Purchase Charge balance was zero, rounded down to the whole dollar; PLUS
- (d) Any past due amounts.

In any event, your total minimum payment will never be more than your new balance. Any total minimum payment required in connection with a Major Purchase Charge balance will not be increased, but may be included in the \$25 or \$35 minimum amount otherwise due on your account.

**Special Promotional Financing Offer Information.** At times, we may offer you special financing promotions for certain transactions ("special promotions"). The terms of this Agreement apply to any special promotions. However, any special promotional terms that are different than the terms in this Agreement will be explained on special promotional advertising or other disclosures provided to you.

Below is a description of certain promotions that may be offered at jcpenny stores in the U.S. and online at jcp.com:

No Interest For 6, 12, 18, or 24 Months	For each promotion, after the promotion ends, the APR that applies to your account when the promotional purchase is made will apply. See the Interest Charge calculation section of the enclosed billing statement for your APR applicable to Purchases.
No Interest Until January 1, 2013; or June 1, 2013	

When you make a qualifying purchase under one of these promotions, no interest will be assessed on the purchase during the promotional period, but minimum monthly payments are required. Regular account terms apply to non-promotional purchases and, after promotion ends, to your promotional purchases. Offers are subject to credit approval. These promotional offers may not be available at all times for all purchases. Please see any special promotion advertising or other disclosures provided to you for the full terms of any special promotion offered.

Below is a description of certain special promotions that may be offered at jcpenny stores in Puerto Rico:

No Interest if Paid in Full Within 12 Months	For each promotion, if the promotional balance is not paid in full within the promotional period, interest will be imposed from the date of purchase at the Purchase APR that applies to your account when the promotional purchase is made. See the Interest Charge calculation section of the enclosed billing statement for your APR applicable to Purchases.
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When you make a qualifying purchase under one of these promotions, no interest will be assessed on the purchase if you pay the following ("promotional balance") in full within the applicable promotional period: (1) the promotional purchase amount, and (2) any related optional credit insurance/debt cancellation charges. If you do not, interest will be assessed on the promotional balance from the date of the purchase. Minimum monthly payments are required. Regular account terms apply to non-promotional purchases and, after promotion ends, to promotional purchases. Offers are subject to credit approval. These promotional offers may not be available at all times for all purchases. Please see any special promotion advertising or other disclosures provided to you for the full terms of any special promotion offered.

### SECTION III: STANDARD PROVISIONS JCPENNEY REWARDS CREDIT CARD ACCOUNT AGREEMENT

#### ABOUT THE CREDIT CARD ACCOUNT AGREEMENT

**This Agreement.** This is an Agreement between you and GE Capital Retail Bank, 170 Election Road, Suite 125, Draper, UT 84020, for your credit card account shown above. By opening or using your account, you agree to the terms of the entire Agreement. The entire Agreement includes the four sections of this document, the application you submitted in connection with the account. These documents replace any other agreement relating to your account that you or we made earlier or at the same time.

**Parties To This Agreement.** This Agreement applies to each account holder approved on the account and each of you is responsible for paying the full amount due, no matter which one uses the account. We may treat each of you as one account holder and may refer to each of you as "you" or "your". GE Capital Retail Bank may be referred to as "we", "us" or "our".

**Changes To This Agreement.** We may change, add or delete terms of this Agreement, including interest rates, fees and charges.

**Special Promotions.** The terms of this Agreement apply to any special promotion. However, any special promotional terms that are different than the terms in this Agreement will be explained on promotional advertising or other disclosures provided to you.

#### HOW TO USE YOUR ACCOUNT/CARD

**Use Of Your Account.** You may use your account only for lawful personal, family or household purposes. You may use your account for purchases from jcpenny stores, jcp.com, or other companies authorized to accept the jcpenny rewards credit card.

**You Promise To Pay.** You promise to pay us for all amounts owed to us under this Agreement.

**Your Responsibility.** Each account holder will receive a card. You may not allow anyone else to use your account. If you do, or if you ask us to send a card to someone else, you will be responsible for paying for all charges resulting from their transactions.

**Purchase Limits.** To prevent fraud, we may limit the number or dollar amount of purchases you can make in any particular amount of time. We also may decline any particular charge on your account for any reason.

**Credit Limit.** You will be assigned a credit limit that we may increase or decrease from time to time. If we approve a purchase that makes you go over your credit limit, we do not give up any rights under this Agreement and we do not treat it as an increase in your credit limit.

#### HOW AND WHEN TO MAKE PAYMENTS

**When Payments Are Due.** You must pay at least the total minimum payment due on your account by 5 pm (ET) on the due date of each billing cycle. Payments received after 5 pm (ET) will be credited as of the next day. You may at any time pay, in whole or in part, the total unpaid balance without any additional charge for prepayment. If you have a balance subject to interest, earlier payment may reduce the amount of interest you will pay. We may delay making credit available on your account in the amount of your payment even though we will credit your payment when we receive it.

**Payment Options.** You can pay by mail, online or at a jcpenny store. jcpenny stores take payments that you make to them as a convenience to you. We may not credit those payments to your account until we receive them. Under ordinary circumstances, any payment made at a jcpenny store will be credited as of the day you make such payment in the store. We may allow you to make payments over the phone but we may charge you a fee to make expedited phone payments. Your payment must be made in U.S. dollars by physical or electronic check, money order or a similar instrument from a bank located in the United States.

**How To Make A Payment.** You must follow the instructions for making payments provided on your billing statement. If you do not, credit of your payment may be delayed up to five days. Your billing statement also explains how information on your check is used.

**Payment Allocation.** We will apply the required total minimum payment to balances on your account using any method we choose. Any payment you make in excess of the required total minimum payment will be applied to higher APR balances before lower APR balances. Applicable law may require or permit us to apply excess payments in a different manner in certain situations, such as when your account has a certain type of special promotion.

#### INFORMATION ABOUT YOU

**Using And Sharing Your Information.** When you applied for an account, you authorized and directed us to give information about you and your account to jcpenny and its affiliates and licensees (the "jcpenny family"). The jcpenny family will use the information in connection with the credit program and for things like creating and updating its records for you, assisting them in better serving you, and providing you with notices of special promotions, marketing materials and tailored offerings. More information about how we use and share information is set forth in the privacy policy for your account.

**Address/Phone Change.** You agree to tell us right away if you change your address or phone number(s). We will contact you at the address or phone number in our records until we update our records with your new address or phone number.

**Consent To Communications.** You consent to us contacting you using all channels of communication and for all purposes. We will use the contact information you provide to us. You also consent to us and any other owner or servicer of your account contacting you using any communication channel. This may include text messages, automatic telephone dialing systems and/or an artificial or prerecorded voice. This consent applies even if you are charged for the call under your phone plan. You are responsible for any charges that may be billed to you by your communications carriers when we contact you.

**Telephone Monitoring.** For quality control, you allow us to listen to and/or record telephone calls between you and us.

#### IMPORTANT INFORMATION ABOUT YOUR ACCOUNT

**Closing Your Account.** You may close your account at any time by sending a letter to the address shown on your billing statement or calling customer service. We may close your account at any time, for any reason. If your account is closed, you must stop using it. You must still pay the full amount you owe and this Agreement will remain in effect until you do.

**Collection Costs.** If we ask an attorney who is not our salaried employee to collect your account, we may charge you our collection costs. These include court costs and reasonable attorneys' fees.

**Credit Bureau Reporting.** We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be shown in your credit report. Tell us if you think we reported wrong information about you to a credit bureau. Write to us at P.O. Box 965007, Orlando, FL 32896-5007 (Puerto Rico and U.S. Virgin Islands residents, write to P.O. Box 364788, San Juan, PR 00936-4788). Tell us what information is wrong and why you think it is wrong. If you have a copy of the credit report that includes the wrong information, send us a copy.

**Default.** You are in default if you make a late payment, do not follow any other term of this Agreement or become bankrupt or insolvent. If you default or upon your death, we may (a) request payment of the full amount due right away, (b) take legal action to collect the amounts owed, and/or (c) take any other action allowed.

**Disputed Amounts.** The billing rights summary in section IV of this Agreement describes what to do if you think there is a mistake on your bill. If you send us correspondence about a disputed amount or payment, you must send it to the address for billing inquiries. We do not give up any rights under this Agreement if we accept a payment marked "payment in full" or given with any other conditions or limitations.

**Unauthorized Use.** If your card is lost, stolen or used without your consent, call us immediately at (800) 542-0800 (Puerto Rico and U.S. Virgin Islands residents, call 1-800-981-8400). You will not be liable for unauthorized use on your account, but you will be responsible for all use by anyone you give your card to or allow to use your account.

#### IMPORTANT INFORMATION ABOUT THIS AGREEMENT

**Assignment.** We may sell, assign or transfer any or all of our rights or duties under this Agreement or your account, including our rights to payments. We do not have to give you prior notice of such action. You may not sell, assign or transfer any of your rights or duties under this Agreement or your account.

**Enforceability.** If any part of this Agreement is found to be void or unenforceable, all other parts of this Agreement will still apply.

**Governing Law.** Except as provided in the Resolving a Dispute with Arbitration section, this Agreement and your account are governed by federal law and, to the extent state law applies, the laws of Utah without regard to its conflicts of law principles. This Agreement has been accepted by us in Utah.

**Waiver.** We may give up some of our rights under this Agreement. If we give up any of our rights in one situation, we do not give up the same right in another situation.

#### RESOLVING A DISPUTE WITH ARBITRATION

**PLEASE READ THIS SECTION CAREFULLY. IF YOU DO NOT REJECT IT, THIS SECTION WILL APPLY TO YOUR ACCOUNT, AND MOST DISPUTES BETWEEN YOU AND US WILL BE SUBJECT TO INDIVIDUAL ARBITRATION. THIS MEANS THAT: (1) NEITHER A COURT NOR A JURY WILL RESOLVE ANY SUCH DISPUTE; (2) YOU WILL NOT BE ABLE TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING; (3) LESS INFORMATION WILL BE AVAILABLE; AND (4) APPEAL RIGHTS WILL BE LIMITED.**

##### • What claims are subject to arbitration

1. If either you or we make a demand for arbitration, you and we must arbitrate any dispute or claim between you or any other user of your account, and us, our affiliates, agents and/or J. C. Penney Corporation, Inc. If it relates to your account, except as noted below.
2. We will not require you to arbitrate: (1) any individual case in small claims court or your state's equivalent court, so long as it remains an individual case in that court; or (2) a case we file to collect money you owe us. However, if you respond to the collection lawsuit by claiming any wrongdoing, we may require you to arbitrate.
3. Notwithstanding any other language in this section, only a court, not an arbitrator, will decide disputes about the validity, enforceability, coverage or scope of this section or any part thereof (including, without limitation, the next paragraph of this section and/or this sentence). However, any dispute or argument that concerns the validity or enforceability of the Agreement as a whole is for the arbitrator, not a court, to decide.

##### • No Class Actions

**YOU AGREE NOT TO PARTICIPATE IN A CLASS, REPRESENTATIVE OR PRIVATE ATTORNEY GENERAL ACTION AGAINST US IN COURT OR ARBITRATION. ALSO, YOU MAY NOT BRING CLAIMS AGAINST US ON BEHALF OF ANY ACCOUNT HOLDER WHO IS NOT AN ACCOUNT HOLDER ON YOUR ACCOUNT, AND YOU AGREE THAT ONLY ACCOUNT HOLDERS ON YOUR ACCOUNT MAY BE JOINED IN A SINGLE ARBITRATION WITH ANY CLAIM YOU HAVE.** If a court determines that this paragraph is not fully enforceable, only this sentence will remain in force and the remainder will be null and void, and the court's determination shall be subject to appeal. This paragraph does not apply to any lawsuit or administrative proceeding filed against us by a state or federal government agency even when such agency is seeking relief on behalf of a class of borrowers, including you. This means that we will not have the right to compel arbitration of any claim brought by such an agency.

##### • How to start an arbitration, and the arbitration process

1. The party who wants to arbitrate must notify the other party in writing. This notice can be given after the beginning of a lawsuit or in papers filed in the lawsuit. Otherwise, your notice must be sent to GE Capital Retail Bank, Legal Operation, P.O. Box 29110, Shawnee Mission, KS 66201, ATTN: ARBITRATION DEMAND. The party seeking arbitration must select an arbitration administrator, which can be either the American Arbitration Association (AAA), 1633 Broadway, 10th Floor, New York, NY 10019, www.adr.org, (800) 778-7879, or JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, www.jamsadr.com, (800) 352-5267. If neither administrator is able or willing to handle the dispute, then the court will appoint an arbitrator.
2. If a party files a lawsuit in court asserting claim(s) that are subject to arbitration and the other party files a motion with the court to compel arbitration, which is granted, it will be the responsibility of the party asserting the claim(s) to commence the arbitration proceeding.
3. The arbitration administrator will appoint the arbitrator and will tell the parties what to do next. The arbitrator must be a lawyer with at least ten years of legal experience. Once appointed, the arbitrator must apply the same law and legal principles, consistent with the FAA, that would apply in court, but may use different procedural rules. If the administrator's rules conflict with this Agreement, this Agreement will control.
4. The arbitration will take place by phone or at a reasonably convenient location. If you ask us to, we will pay all the fees the administrator or arbitrator charges, as long as we believe you are acting in good faith. We will always pay arbitration costs, as well as your legal fees and costs, to the extent you prevail on claims you assert against us in an arbitration proceeding which you have commenced.

##### • Governing Law for Arbitration

This Arbitration section of your Agreement is governed by the Federal Arbitration Act (FAA). Utah law shall apply to the extent state law is relevant under the FAA. The arbitrator's decision will be final and binding, except for any appeal right under the FAA. Any court with jurisdiction may enter judgment upon the arbitrator's award.



# Koehler Declaration

## Exhibit 5

Change of Address





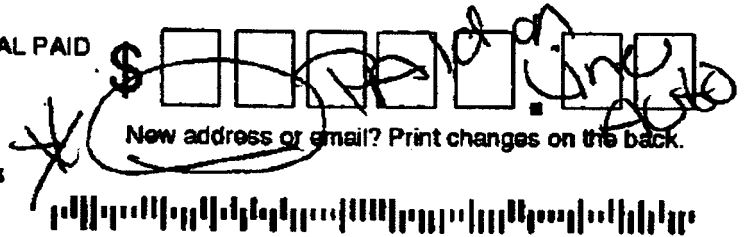
Account Ending: <span style="border: 1px solid black; padding: 0 5px;">REDACTED</span> 31 81		
Total Minimum Payment Due	Payment Due Date	New Balance
\$25.00	11/23/2012	\$431.78



CHRISTINE E DECKER  
8910 ASHTON LN  
KALAMAZOO MI 49009-6429

FILL IN TOTAL PAID

172393  
Q209



GECRB / jcp  
P.O. Box 960090  
Orlando FL 32896-0090

NOV 18 2012

REDACTED 1810

5433 0013 M9H 301 1 7 28 121031

PAGE 1 of 3

9119 3100 M184 01FC5433

172393

Exhibit 5



This is an attempt to collect a debt and any information obtained will be used for that purpose.

\*By providing a telephone number on your account, you consent to GE Capital Retail Bank and any other owner or servicer of your account contacting you about your account, including using any contact information or cell phone numbers you provide, and you consent to the use of any automatic telephone dialing system and/or an artificial or prerecorded voice when contacting you, even if you are charged for the call under your phone plan.

For changes of address, phone number and/or email, please check the box and print the changes below.

<input checked="checked" type="checkbox"/>	Street	9914 E ML AVE			
	Address				
	City, State,	Galesburg, MI AVE			
	Zip	269 598 7923			
	Phone #	CPG 340831			
<input type="checkbox"/>	E-mail	Home Phone #	Business Phone #	*Cell # or other phone # we can use to contact you	Email Address
					26002401

By providing your email address, you agree to receive email communications about your account and also give permission for us to share your email address to JCPenney so you can receive special offers and updates.